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MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1984

HEARINGS

BEFORE A

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COMMITTEE ON APPROPRIATIONS

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MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1984

WEDNESDAY, MARCH 9, 1983

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 8:05 a.m. in room SD-124, Dirksen Senate Office Building, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

DEPARTMENT OF DEFENSE

ASSISTANT SECRETARY OF DEFENSE

MANPOWER, RESERVE AFFAIRS AND LOGISTICS

STATEMENT OF HON. LAWRENCE J. KORB, ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER, RESERVE AFFAIRS AND LOGISTICS

BUDGET REQUEST

Senator MATTINGLY. The subcommittee will come to order.

This morning we will begin our hearings on the fiscal year 1984 budget request for military construction and family housing appropriations.

The request for new budget authority is an alltime high of $8.655 billion. The subcommittee is aware that this year's request is only about $450 million over the fiscal year 1983 budget request. However, it should be noted that the fiscal year 1983 appropriation was $7.1 billion. Therefore, if the budget is approved as requested, the military construction amounts would receive an increase of nearly 20 percent from the fiscal year 1983 appropriation.

As has been done in the past, I can assure you that this subcommittee will give careful consideration to your budget request. However, I think we should all keep in mind that Defense spending as a whole is going to come under continued scrutiny by the Congress; and military construction will not be exempt from this review. Therefore, it is paramount that each and every project that this subcommittee recommends, first to the full committee and then later to the full Senate, be valid.

MAINTAINING STRICT JUSTIFICATION STANDARDS

In order to maintain the degree of public support that is necessary to sustain Defense expenditures at appropriate levels, we must be vigorous in our efforts to remove any project that fails to meet the strictest justification standards.

The Department of Defense should lead this effort. Failure to do so will erode the public consensus that is so critical to the restoration of our force strength and the maintenance of our national security.

I want to welcome our witnesses for today's overview hearing. We have with us today Hon. Lawrence J. Korb, Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics. Mr. Korb, I believe that this is your first appearance before the subcommittee and I want to welcome you.

INTRODUCTION OF WITNESSES

In addition to Mr. Korb, who will present the overall Defense position on military construction, we will also have present representatives from the services, Hon. Joel E. Bonner, Jr., Assistant Secretary of the Army for Installations, Logistics and Financial Management; Adm. William Zobel, Commander of the Naval Facilities Engineering Command, and Hon. Tidal W. McCoy, Assistant Secretary of the Air Force for Manpower, Reserve Affairs and Installations.

I know that with this level of expertise present for the overview hearing the Defense Department is well represented and that the subcommittee will receive a truly unprejudiced assessment of the military budget request.

Let me say that at this point that I am extremely pleased to have been able to assume the chairmanship of this subcommittee and since becoming a member of the subcommittee 2 years ago I watched with interest the military construction budget.

I am fully aware of the tremendous needs in the area of facilities. My home State of Georgia—as you all may be aware—has several military installations, all of which have valid needs with regards to facilities. But one thing I have learned very quickly is that for every fully justifiable project that comes before the subcommittee there is always another that is just as justifiable, whether it be in Georgia, Germany, Delaware, or Diego Garcia.

Gentlemen, I look forward to working with you and your associates in the military construction business and I believe that at this point we should begin with the testimony. I understand that you all have prepared statements which will be placed in the record.

Mr. Korb, I further understand you will be the primary spokesman today, giving us the Department's overview. If Mr. Bonner, Admiral Zobel, and Mr. McCoy have further comments after Mr. Korb's statement, they will be welcome.

PREPARED STATEMENT OF SENATOR SASSER

I would also like to submit for the record the statement of the ranking minority member, Senator Sasser, and make it part of this record.

[The prepared statement follows:]

PREPARED STATEMENT OF HON. JIM SASSER, U.S. SENATOR FROM TENNESSEE

As we begin these hearings today we must reflect on what appears to be two conflicting national policies: The recognized need to improve the readiness and modernization of our armed forces and the need to restrain the federal budget deficit.

This year I intend to be very mindful of these seemingly conflicting policies. I intend to support a level of defense spending, including military construction, which is appropriate for continued strategic deterrence and for meeting the conventional threat. At the same time, I will support cuts and reductions in what are lower priority programs.

In relative terms, the military construction budget is a small portion of the overall defense budget. But military construction is a significant factor in the modernization and readiness of our forces and the morale of our troops. So I will exercise great care in recommending specific reductions in the military construction budget.

Since becoming a member of this subcommittee I have supported a 103 percent increase in budget authority for military construction. I believe the Congress over the last six years has approved generous increases in military construction funding in recognition of the substantial backlog and earlier spending shortfalls.

During the last six years the growth of military construction spending generally tracked the growth of the defense budget overall. But this year the Administration is requesting a 22 percent real increase in military construction compared to a 10.8 percent real growth in the total defense budget.

In addition, over the next five years, actual outlays for military construction are projected to increase more than 150 percent. This is unprecedented growth and cannot go unnoticed in the Congress.

So, I intend to use these hearings to probe into, not only the fiscal year 1984 request, but also into the projected out-year military construction programs; in essence, what are we buying in fiscal year 1984 that will impact the budget through the remainder of the decade.

Since becoming a member of the Senate, I have never cast a vote on national defense policy based on fiscal considerations. It is clear that our national security comes first, and we must pay whatever price is required to assure that security. But we must also exercise great caution that, during times of economic restraint, we do not spend unnecessary amounts on low priority projects.

This is my philosophy as I approach these hearings this year.

BUDGET REQUEST

Senator **MATTINGLY**. Mr. Korb, if you would please begin?

Mr. **KORB**. Thank you very much, Senator. It is a pleasure and privilege to appear before this committee for the first time. I do not know if you will be getting "unprejudiced views," I think maybe "unprecedented" testimony might be a better way to phrase it.

Senator **MATTINGLY**. We will wait and see the headlines tomorrow. [Laughter.]

Mr. **KORB**. I am pleased to have this opportunity to appear before your committee to discuss the Department of Defense fiscal year 1984 military construction program which totals $8.8 billion for appropriations.

Be assured that we arrived at this program only after a very thorough review of present and future deployments; our knowledge of the poor condition of many existing facilities; the President's and Secretary's commitments to provide decent working and living conditions for our military people, and the need to support the many new weapon systems coming into the force.

DEFENSE FACILITIES MANAGEMENT IMPROVEMENT

We are improving the management of Defense facilities. We are also increasing our efforts to make base operations more efficient and to improve competition for Defense work.

The Department of Defense has saved the taxpayer over $100 million annually from converting support activities to contracts as a result of competitive cost studies. We have also taken new steps to get the services to consolidate support operations on a regional basis. The consolidation of family housing and real property maintenance has been directed in Panama, family housing in Hawaii, and civilian personnel offices in Stockton, Calif.

At the present time, the services are also jointly studying 11 support functions on a worldwide basis to determine the potential savings from a single management concept.

ENERGY CONSERVATION PROGRAM

Our energy conservation program through fiscal 1983 has produced savings of over $1 billion. This year we are requesting $117 million for energy conservation projects. The average amortization period of these projects will be less than 5 years. Our program will achieve compliance with the requirements of the National Energy Conservation Policy Act by 1990.

WORKING AND LIVING CONDITIONS

I would like to move on to working and living conditions. The conditions of the facilities where our people work and live affect readiness, morale, enlistments, and retention. Because of many years of underfunding much of the DOD physical plant is in an unacceptable condition and a significant portion has far exceeded its economic and useful life.

This is especially true in Europe, where there is a crying need to improve unacceptable working and living conditions. We are committed to reversing the decline in the condition of Defense facilities, and our proposed fiscal year 1984 military construction program represents a significant improvement in the conditions under which our service people and their dependents work and live.

INTERNATIONAL CONSTRUCTION

If I could turn to the important subject of international construction. The budget proposes $1.3 billion for construction in Europe. The Army is devoting a significant portion of its European new construction program to correcting some particularly wretched working and living conditions. Some $25 million is included for family housing in Germany and Italy. The Navy's budget of $152 million is more than double last year's request of $65 million; $148 million of the Air Force's European new construction budget of $461 million is programed for base support facilities at five ground-launch cruise missile or GLCM sites. Airfield facilities needed to support tactical air units assigned to reinforce NATO Europe requires another $110 million, and the Air Force family housing program requires $76 million.

In addition to the construction in Europe paid for by the United States, we are requesting $150 million for the U.S. share of the NATO Infrastructure program. Although our total requirement in fiscal year 1984 is $300 million, we have $150 million available from prior year programs. While the U.S. contribution to the commonly funded program remains at 27 percent, the percentage of U.S. user projects being programed by NATO continues to be significantly higher.

Since last year we have made significant progress with the Germans on the Army's Master Restationing Plan which would move three brigades forward into new facilities. Since high-level United States-German meetings last March, a binational committee of experts has identified solutions to the technical and administrative aspects of the plan. The discussions are continuing to develop a mutually acceptable funding plan.

Over the last several years the Japanese and Korean Governments have been constructing facilities to support U.S. forces. For calendar year 1983, the Japanese are expected to fund $290 million and the Koreans $61 million of our construction requirement. Our military construction request for Japan, by contrast, is only $47 million, for Korea $143 million.

The $256 million request for Southwest Asia will provide needed additional contingency facilities for the Rapid Deployment Force and improve the readiness of our naval units in the Indian Ocean. It will complete operational facilities on Diego Garcia.

The additional construction in Egypt, combined with improvements funded in fiscal year 1983, will provide the initial staging capability of Ras Banas that is essential to our strategy, and continued development of contingency facilities in Oman will increase our capability to respond militarily in this area.

This year we are requesting $103 million to provide 19 school projects for Department of Defense dependents schools. The new schools and additions will upgrade or replace only the worst, overcrowded, or substandard facilities. Your support of these 19 school construction projects will result in the provision of accredited, adequate school facilities for 12,500 children of DOD military personnel.

ENVIRONMENTAL CONSIDERATIONS

I would like to turn to the environment. As EPA and the States fund improvements to regional waste water treatment plants, DOD installations using those plants must provide their fair share of the cost of the improvements. This year we are asking for $40 million for projects of this type and $26 million in projects for industrial and domestic waste water treatment facilities located on DOD installations.

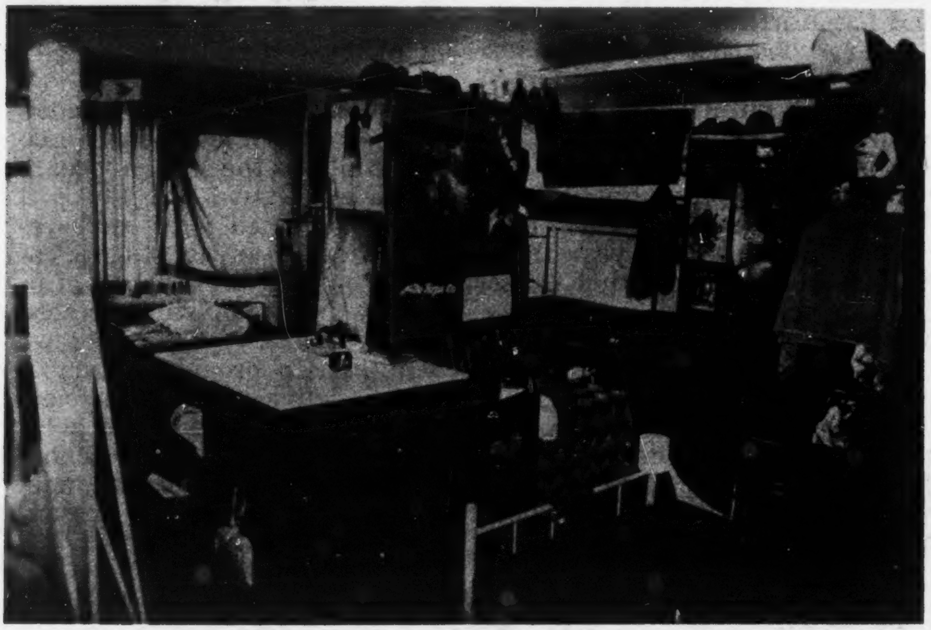
This year for the first time the Department of Defense is seeking funds for hazardous waste storage facilities required by the Resource Conservation and Recovery Act. We are continuing to identify sites where hazardous wastes were disposed of in the past, and to determine if corrective projects are required by DOD's implementation of the Superfund law.

SHELTERING THE HOMELESS

I would like to touch briefly on the subject of sheltering the homeless. At the request of the White House Office of Private Sector Initiatives, the Department has just initiated a program to offer shelter to the homeless. The military departments have asked installation commanders to determine whether or not they could make space available. Those that could are notifying local officials. We have already offered to provide space without charge in 125 areas, provided that local organizations supply transportation, food, beds, linens, and security arrangements satisfactory to the local commander.

Mr. Chairman, before I conclude I would like to show you a few slides that show better than words the kinds of living and work places that we want to replace in fiscal year 1984.

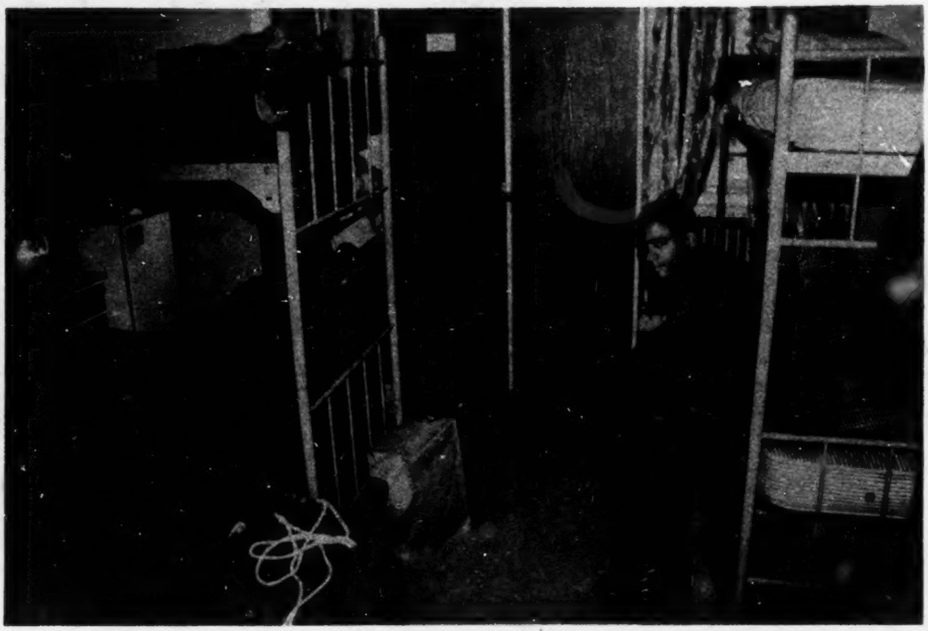
I have visted our military people all over the world and I can assure you that these pictures do not overstate the poor conditions we too often provide our troops.



SLIDE 1

HOUSING CONDITIONS FOR ENLISTED PERSONNEL

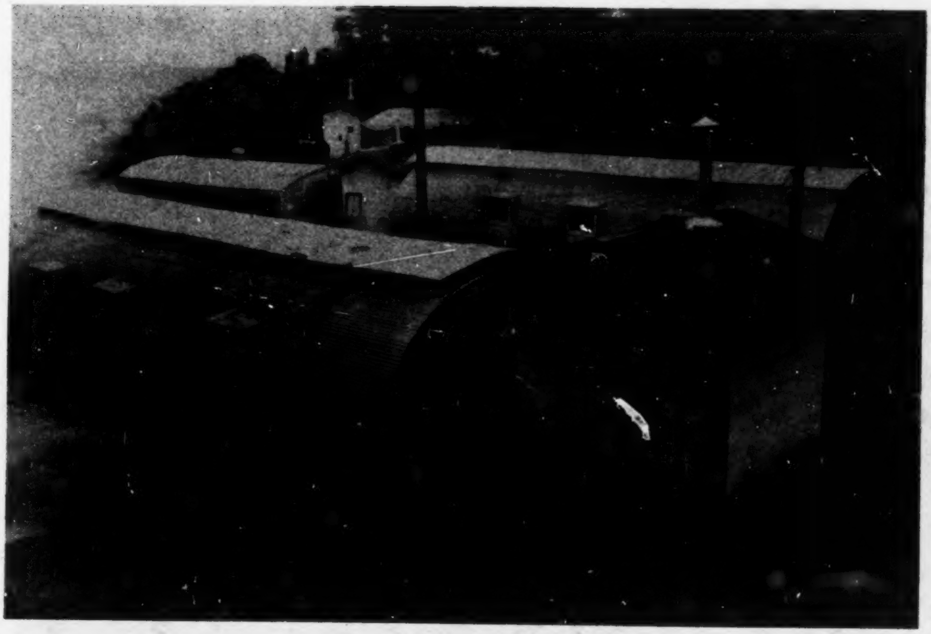
First, here is a room for six people grades E-4 and E-5, at Fintem Army Air Field in Mainz, West Germany. It is kind of tight and it is quite a chore to arrange room assignments which guarantee compatibility among all the occupants.



SLIDE 2

BABENHAUSEN, WEST GERMANY BARRACKS

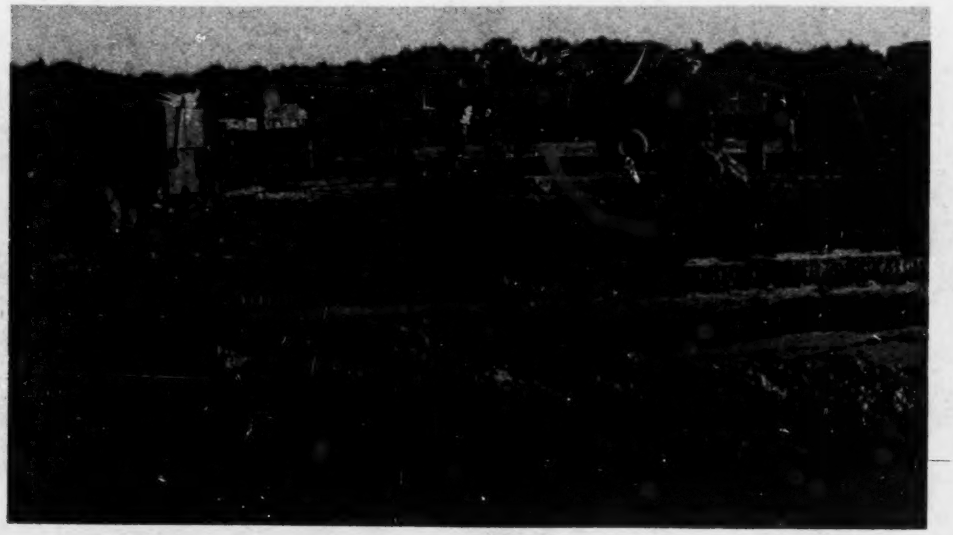
Next there are assignments of four people to a room, but unfortunately the rooms get smaller as depicted by this shot of barracks in Babenhausen, West Germany.



Slide 3

BARRACKS IN KOREA

There are worse situations. This is an exterior view of barracks that are prevalent throughout Korea. They leak a lot and they are pretty cold in the winter. Latrines are usually in a separate building, a long walk in the snow.



Slide 4

MUTLAGEN TRAINING AREA

The preceding picture shows a training area at Mutlagen. In the background you can see a Pershing missile which costs us about $4 million. The people who work on this equipment are highly skilled technicians, but you see their maintenance facility is just a muddy field.

SLIDE 5

TANK REPAIR CONDITIONS AT CAMP CASEY, KOREA

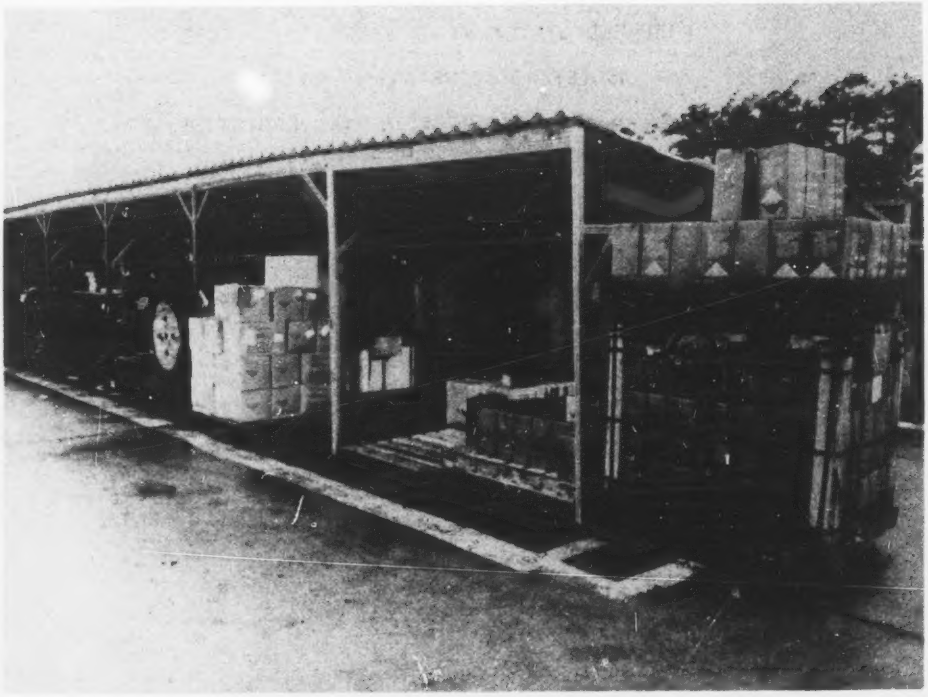
Next, here are soldiers of the 2d Infantry Division at Camp Casey, Korea, removing an engine from an M-60 tank in mud and cold weather.

OSF
43
OSF
47
OSF
43

SLIDE 6

EQUIPMENT STORAGE IN OSAN AIR BASE, KOREA

This is at Osan Air Base in Korea and shows a too common example of expensive equipment and supplies stored in open sheds because of a critical lack of warehouse space. The stored items are highly susceptible to both weather damage and pilferage; and this, in turn, translates into needless waste. Both physical security and inventory management are virtually impossible under these extremely adverse conditions.



SLIDE 7

STORAGE FACILITIES AT RAMSTEIN AIR BASE, WEST GERMANY

Finally, a similar situation at Ramstein Air Base, West Germany, shows building supplies and equipment packed in cardboard boxes, stored in the open and in lean-tos. Lack of proper storage facilities results in premature deterioration of high-value materials and equipment.

In conclusion I would like to thank you for this opportunity to appear before you today to present the Department of Defense fiscal year 1984 military construction request. I wish to emphasize in the strongest possible terms that these funds are necessary to obtain the facilities needed to support our Nation's security requirements.

I appreciate the support this committee has provided in the past, and I look forward to working with you this year.

Now I would be pleased to answer questions after my colleagues provide whatever statements they like.

Senator MATTINGLY. The rest of you may want to submit your statements for the record and briefly summarize your statement.

[The prepared statement of Hon. Lawrence Korb follows:]

PREPARED STATEMENT OF LAWRENCE J. KORB
ASSISTANT SECRETARY OF DEFENSE
(MANPOWER, RESERVE AFFAIRS, AND LOGISTICS)

Mr. Chairman and Members of the Committee:

I am pleased to have this opportunity to appear before your Committee to discuss the Department of Defense Fiscal Year 1984 Military Construction Program and matters relating to management of Defense facilities, upgrading of unacceptable working and living conditions, and international construction.

The request for Fiscal Year 1984 is for $8.8 billion in appropriations. We arrived at this program only after a very thorough review of present and future deployments, our knowledge of the poor condition of many existing facilities, the President's and Secretary's commitments to provide decent working and living conditions for our military people, and the need to support the many new weapons systems coming into the force. The following summary compares our Fiscal Year 1984 request with the enacted amounts for Fiscal Year 1978 through Fiscal Year 1983.

Military Construction
($ Millions)

	1978	1979	1980	1981	1982	1983	1984
Appropriation	3,094	4,000	3,793	5,225	7,245	7,167	8,766
Constant FY 1984 Dollars	4,597	5,437	4,755	6,049	7,936	7,504	8,766

We continue to emphasize improving the management of Defense facilities. The responsibility for certain recurring actions, approval authorities, and reports, has been devolved to the military departments and agencies. In this way, the majority of the decisions affecting facilities management will be made by the people in the best position to know what is needed. We are also increasing our efforts to make base operations more efficient and to improve competition for Defense work. Additionally, the Fiscal Year 1984 military construction program places special emphasis on improving unacceptable working and living conditions, particularly for our troops stationed overseas.

I would like now to address our most important facility requirements and initiatives in more detail.

IMPROVING MANAGEMENT OF DEFENSE FACILITIES

1. Improved Management of Base Support

We are continuing to place strong emphasis on programs that show potential for making our base support operations less costly. We recognize the concern expressed by the Congress last year about the impact of civilian personnel ceilings on our Commercial Activities program. For the first time in many years, our FY 1984 budget does not include any personnel reductions in anticipation of probable contracting. This will help ensure that decisions to contract out are based upon sound economic reasons and are not influenced by personnel ceilings.

However, we are convinced that this program is one of our most reliable cost savers and we will continue to do cost studies on commerical activities where contracting would not adversely affect national defense. The Department of Defense has saved the taxpayer over $100 million annually from those activities that have been converted to contract. Competition with the private sector encourages in-house activities to find ways to be more efficient. As a result, in-house activities are beating the bids of contractors about 50% of the time, saving us an additional $14 million annually.

We have taken new steps to get the Services to consolidate support operations on a regional basis. During the past year we have directed the consolidation of family housing and real property maintenance in Panama, family housing in Hawaii, and civilian personnel offices in Stockton, California. At the present time the Services are also jointly studying eleven support functions on a worldwide basis to determine the potential savings from a single-manager concept.

2. Energy Conservation

This is the ninth year of our program to reduce energy consumption. Our Energy Conservation Investment Program is designed to save energy and utility costs in older facilities. Through FY 1983 this program will have produced savings of over $1 billion.

We have issued guidance to the Military Departments to strengthen the program. We have instituted an annual report of completed projects and energy savings, and are using the information from this report to make sure we are investing wisely in energy conservation projects. Our program will also help achieve compliance with the requirements of the National Energy Conservation Policy Act by 1990. Further energy reductions will be attained by additional operator training, instrumentation calibration, and cleaning and tuning of utility systems. Low cost and "no-cost" improved administrative practices, voluntary personnel action and normal replacement of old equipment (e.g. boilers) will also be emphasized to reduce energy costs.

This year, we are requesting $117 million for energy conservation projects. The average amortization period of these projects will be less than 5 years.

WORKING AND LIVING CONDITIONS

The condition of the facilities where our people work and live affects readiness, morale, enlistments, and retention. Because of many years of underfunding, much of the DoD physical plant is in an unacceptable condition, and a significant portion has far exceeded its economic and useful life. There is a definite need to improve unacceptable working and living conditions.

We are committed to reversing the decline in the condition of Defense facilities. Over the past decade, money spent on facilities has lagged behind the requirement to modernize or replace existing facilities and to construct facilities for new or changing missions. The execution of all of our proposed FY 1984 Military Construction program will enhance working and living conditions, thereby improving the quality of life for our service people and their dependents.

INTERNATIONAL CONSTRUCTION

1. European Construction

The budget proposes $1.3 billion for construction in Europe, including family housing (less operation and maintenance), dependents schools and the U.S. annual contribution to the NATO Infrastructure Program. The Army continues to devote a significant portion of its European new construction total budget of $382 million to correcting some particularly wretched working and living conditions. Some $25 million is included for family housing in Germany and Italy. Programming also continues for facilities in support of new weapons systems deployments such as the M-1 tank, the Multiple-Launched Rocket System (MLRS), Division Air Defense (DIVAD) Gun, and the PATRIOT missile.

The Navy's budget of $152 million is more than double last year's request of $65 million. The increase includes a $44 million request for critically-needed POL facilities in Iceland and $34 million to buy out housing now being leased in Italy. The buy out of these leases constitutes a significant long-term savings for the U.S.

Thirty percent ($148 million) of the Air Force's new European construction budget of $461 is programmed for base support facilities at five Ground-Launched Cruise Missile (GLCM) sites. FY 1984 is the peak MILCON funding year for this program. Funding of operational facilities continues in parallel through the NATO Infrastructure Program. The provision of airfield facilities needed to support tactical air units assigned to reinforce NATO Europe remains an essential Air Force requirement and requires $110 million. Air Force family housing requires $76 million.

2. NATO Infrastructure

In addition to the construction in Europe paid for by the United States, we are requesting $150 million for the U.S. share of the NATO Infrastructure Program. Although our total requirement in FY 1984 is $300 million, we have $150 million available from prior-year programs. The U.S. contribution to this commonly-funded program remains at 27 percent. However, the percentage of U.S.-user projects being programmed continues to be significantly higher.

There are very strong indications that the Allies will support an increase in the current infrastructure fund ceiling on the order of $475 million. A final decision will be known by May 1983.

3. Master Restationing Plan

Since last year, we have made significant progress with the Germans on the Army's Master Restationing Plan, which would move three brigades forward into new facilities. A senior U.S. delegation met with its German counterpart in mid-March 1982 to discuss the advantages of the Master Restationing Plan to both countries. After that meeting, a charter was signed directing a joint committee of experts to identify problems that might occur implementing the Plan and to assign responsibilities for solving them. After several meetings, both here and in Bonn, solutions to the technical and administrative aspects of the Plan have been identified. Discussions are continuing to develop a mutually acceptable funding plan. As directed by Congress we are working toward a formal agreement with the Federal Republic of Germany on the cost-sharing arrangements that will apply to all projects in support of the Master Restationing Plan.

In our discussions on the restationing plan, we are continually reminded by our German counterparts of the failure of the Congress to fund for Wartime Host National Support. They perceive a definite linkage between the two. They are reluctant to become involved in signing another agreement and programming additional scarce resources when the Congress will not support the terms of the host nation support agreement signed by the U.S. Ambassador to Bonn. They also strongly resent the allegation that host nation support should be a part of a military aid budget. Germany is not seeking military aid. On the contrary, they are providing us with thousands of support troops which will result in a significant cost avoidance for the United States. Congressional support of this host nation support initiative will greatly assist us in reaching an agreement on cost sharing of the Master Restationing Plan.

While there are no projects in this year's program supporting the Master Restationing Plan, we do have projects to correct existing facility deficiencies at two of the restationing sites in support of the people already there. There is a new high school proposed for Giessen and there are construction projects for 153 family housing units and an elementary school at Wildflecken.

4. Host Nation Funded Construction, Japan and Korea

Over the last several years the Japanese and Korean Governments have been constructing facilities to support U.S. Forces. Each year we ask those governments to fund specific projects needed to support existing or planned forces. These projects would otherwise be candidates for MILCON funding. The types of projects selected for host nation funding vary by country, depending on the general guidance received from the host governments: in

Japan the projects normally involve personnel support, environmental projects, and family housing; the Koreans prefer to fund operational facilities. Since their funding cycles are different, the best comparisons to our FY 1984 request are their CY 1983 programs. For CY 1983 the Japanese are expected to fund $290 million and the Koreans $61 million of our construction requirement. Our FY 1984 MILCON request for Japan is only $47 million and for Korea $143 million.

5. Southwest Asia and Indian Ocean Construction

The proposed FY 1984 construction program for Southwest Asia is needed to support contingency operations by the Rapid Deployment Force and to improve the readiness of our naval units in the Indian Ocean.

The $256 million request for Ras Banas is required for construction of additional contingency facilties in Egypt and Oman, and complete operational facilities on Diego Garcia. The additional construction in Egypt, combined with improvements funded in FY 1983, will provide the initial staging capability at Ras Banas that is essential to our Southwest Asia strategy. Continued development of contingency facilities in Oman will increase our capability to respond militarily in this area.

6. Dependents Schools

This request includes $103 million to provide 19 school projects for Department of Defense dependents schools. The projects, which will be located in eight countries, will provide new schools or major additions to existing schools. These projects will upgrade or replace only the worst, over-crowded, or substandard existing school facilities and will provide adequate, timely new facilities necessary to support new troop missions. Your support of these badly needed school construction projects will result in the provision of accredited, adequate school facilities which will be used by 12,500 children of DoD military personnel.

ENVIRONMENTAL

We continue to budget for projects required to comply with environment laws. As EPA and the States fund improvements to regional wastewater treatment plants, DoD installations using those plants must provide their fair share of the cost of the improvements. We are asking for $40 million for projects of this type, and $26 million in projects for industrial and domestic wastewater treatment facilities located on DoD installations.

This year for the first time, the Department of Defense is seeking funds for hazardous waste storage facilities. These facilities are required by the Resource Conservation and Recovery Act. DoD components also continue to identify sites where hazardous wastes were disposed of in the past, and to determine if corrective projects are required by DoD's implementation of the Superfund law.

SHELTERING THE HOMELESS

At the request of the White House Office of Private Sector Initiatives, the DoD has just initiated a program to offer shelter to the homeless. The Military Departments have asked installation commanders to determine whether or not they could make space available. Those that could are notifying local officials. We have already offered to provide space without charge in 125 areas, provided that local organizations supply transportation, food, beds, linens, and security arrangements satisifactory to the local commander.

CONCLUSION

In conclusion, I would like to express my appreciation for this opportunity to appear before you today to present the Department of Defense Fiscal Year 1984 military construction request. I wish to emphasize in the strongest possible terms that these funds are necessary to obtain the facilities needed to support our nation's security goals and requirements. This request is consistent with the President's objectives for national security, management efficiency, economy, and improved quality of life for our service men and women. I strongly urge your support for our $8.8 billion appropriations requirement. I would like to stress to the Committee how essential it is for you to support our overseas construction program. We simply must provide decent places for our people to work and live.

I am grateful for the support this Committee has provided for the Military Construction programs over the years. I look forward to our working together to develop the needed base structure for supporting the nation's defenses.

With me today are representatives of the Services. We will be pleased to answer your questions and provide any information you might require regarding our proposed program.

DEPARTMENT OF THE ARMY

INSTALLATIONS, LOGISTICS AND FINANCIAL MANAGEMENT

STATEMENT OF HON. JOEL E. BONNER, JR., ASSISTANT SECRETARY OF THE ARMY FOR INSTALLATIONS, LOGISTICS AND FINANCIAL MANAGEMENT

EMPHASIS ON QUALITY OF LIFE

Mr. BONNER. Mr. Chairman, I would like to submit my statement for the record and make a very brief comment.

It is certainly a pleasure for me to be here today in support of the Army's fiscal year 1984 military construction budget request. It is also a distinct honor to be here where I served the committee and one time this subcommittee over a 10-year period of time.

I would like to follow up on Secretary's Korb's comments. The best way that I can describe where we are today in the Army is that we have had a decade of benign neglect in the Army in the area of military construction.

I would like to say that quality of life is our emphasis in the Army today.

In the last year I testified before other committees here on the Hill that there was a growing awareness of this and that the Army had not been allocating a sufficient portion of its resources to its facilities, and that we hoped to turn this situation around as quickly as possible.

BUDGET REQUEST

This year I am pleased to say that we have begun to live up to that promise. We are asking for $1,375,000,000 for military construction and $1,240,939,000 for Army family housing. While overall this is excellent progress, unfortunately it is still not good enough. Even with this sizable increase we are not providing enough arrest to the growth of our already enormous military construction backlog—much less reduce it.

In the future, we have plans to allocate a greater percentage of our total budget to the facilities accounts to make up for years of this underfunding that I mentioned earlier.

Mr. Chairman, again we would like to work with you and with the committee, and with the staff and make sure that we provide the justification that you deserve and that we should provide to you.

Again, it is a pleasure to be here.

[The prepared statement of Hon. Joel Bonner follows:]

PREPARED STATEMENT OF JOEL E. BONNER, JR., ASSISTANT SECRETARY OF THE ARMY; INSTALLATIONS, LOGISTICS, AND FINANCIAL MANAGEMENT

Mr. Chairman and members of the committee, it is a pleasure for me to appear before this committee in support of the Army's fiscal year 1984 Military Construction Budget request.

Last year I testified there was a growing awareness that in the past, the Army had not been allocating a sufficient portion of its resources to its facilities and that we hoped to turn this situation around as quickly as possible. This year, I am pleased to say that we have begun to live up to that promise. At $1.375B this year's MCA request is almost 25 percent greater than last year's request, however, our Army Family Housing request of $1,240,939,000 is only 13 percent greater than last year's request and 8 percent of this increase results from transfer of Air Force and Navy units in Hawaii to the Army. While overall this is excellent progress, unfortunately, it still is not good enough. Even with these sizeable increases, we are not providing enough to arrest the growth of our already enormous military construction backlog of over $24B, much less reduce it. In the future, we have plans to allocate a greater percentage of our total budget to the facilities accounts to make up for years of underfunding and to provide the kind of facilities a modern Army needs.

This year in MCA, we are again emphasizing improvements to living and working conditions. Heading the list is the construction of maintenance facilities, particularly for Germany. The next largest category is troop housing which will provide almost 8,000 barracks spaces as well as modernization of dining facilities primarily in CONUS. Other program highlights include acquisition of a headquarters complex for the Nothern Army Group in Germany; modest amounts for improvements to our morale, welfare and recreation facilities; and the initiation of our chemical demilitarization program. Our family housing program will provide for the construction of 271 units in Germany; 488 units here at home; completion of the community center at the Aliamanau Housing Area in Hawaii; and general improvements or energy conservation improvements to 56,800 units, better than half of which are here at home. In short, I believe our request is well balanced and although it falls short of our full needs, it does a good job of addressing the Army's most pressing needs.

In execution, the Army has been doing very well. We've been doing our best to take advantage of the favorable bidding climate that has prevailed for some time now. Last year, we awarded 99.7 percent of the fiscal year 1982 MCA Program and so far this year, we are ahead of schedule, having received an average of 13.3 bids for 24 projects resulting in current working estimates well below the program amounts. We know that this can't continue forever, and we're doing all in our power to take advantage of it as long as it does, but at this stage of the program, it appears that we will be able to fund most, if not all, of those additional projects the Congress said we could accomplish from savings.

Over the coming months, I know you will be under very strong pressure to try to find places to trim this budget. Some may argue, as they have in the past, that construction can be postponed for just one more year. To them, I would say even with this budget, we already have had to postpone many valid projects, improvements in the living and working conditions for our troops. We can provide jobs with these construction projects and we can't afford any more postponements. Others may argue that construction budgets can be cut because of the favorable bids that we have been getting for the past couple of years. To them, I would respond that we have tried to be realistic in developing our estimates and to caution that as the economy improves, the construction industry will be one of the first to experience increases in costs to restore the pre-recession margins. Still others may argue that our community support projects are really not that important for national defense and should be eliminated. To them, I would respond that these facilities are needed not only for the wholesome free time recreation of our soldiers who are serving their country well but also to foster the morale and esprit-de-corps of a modern Army in a pragmatic world.

So I ask you to resist such arguments and seek your support for this construction budget. Over the years, many of you have been to Army installations and have seen some of the deplorable conditions that exist. Now we are trying to do something about them.

DEPARTMENT OF THE NAVY

NAVAL FACILITIES ENGINEERING COMMAND

STATEMENT OF REAR ADM. WILLIAM M. ZOBEL, USN, COMMANDER, NAVAL FACILITIES ENGINEERING COMMAND

BUDGET REQUEST

Admiral **ZOBEL**. Mr. Chairman, I can be very brief and simply say that the Navy and Marine Corps appropriation request for this year is $2.05 billion.

The military construction portion of that request, that is excluding family housing, is $1.34 billion. I make that exclusion only to compare it with last year's fiscal year 1983 program which was $1.08 billion. So, we are about 24 percent larger this year than we were last year. But if you look back at fiscal year 1982, we had a program of $1.45 billion and so this year's program is 8 percent less than that program.

So, over that 3-year period essentially we have been fairly even in the amount of money.

The construction program has been developed this year in conjunction with other programs to obtain what we hope is an optimum mix. We believe it is a balanced program that responds to improving readiness and sustainability. I might mention that 82 percent of it is inside the United States.

I think with that I would ask you just include the full remarks for the record.

[The prepared statement of Rear Adm. William Zobel follows:]

PREPARED STATEMENT OF REAR ADM. W. M. ZOBEL, CEC, U.S. NAVY

COMMANDER

NAVAL FACILITIES ENGINEERING COMMAND

MR. CHAIRMAN, GENTLEMEN OF THE COMMITTEE:

I APPRECIATE THE OPPORTUNITY TO PRESENT TO YOU AN OVERVIEW OF THE NAVY AND MARINE CORPS MILITARY CONSTRUCTION AND FAMILY HOUSING BUDGET REQUEST FOR FISCAL YEAR 1984. THIS YEAR'S REQUEST IS FOR $2.05 BILLION IN NEW OBLIGATIONAL AUTHORITY FOR MILITARY CONSTRUCTION AND FAMILY HOUSING. IT REPRESENTS A 13 PERCENT INCREASE FROM THE $1.82 BILLION APPROVED LAST YEAR AND IS SLIGHTLY LESS THAN THE $2.06 BILLION APPROVED IN FISCAL YEAR 1982.

I CONSIDER THIS YEAR'S REQUEST THE ABSOLUTE MINIMUM NEEDED TO CORRECT SIGNIFICANT NAVY AND MARINE CORPS FACILITIES DEFICIENCIES. AS IN THE PAST, THIS MILITARY CONSTRUCTION AND FAMILY HOUSING PROGRAM WAS DEVELOPED IN CONJUNCTION WITH OTHER NAVY AND MARINE CORPS PROGRAMS IN ORDER TO PROVIDE THE OPTIMUM MIX OF APPROPRIATIONS THAT ARE NECESSARY TO SUPPORT OUR MISSIONS. THIS METHOD OF PROGRAMMING AND BUDGETING ENABLES US TO INSURE THAT ADEQUATELY TRAINED PEOPLE, AND SUFFICIENT EQUIPMENT AND MATERIAL, AS WELL AS ADEQUATE FACILITIES ARE AVAILABLE, WHEN REQUIRED, TO SUPPORT BOTH OUR EXISTING AND NEW MISSIONS. IN DEVELOPING THE PROJECTS IN OUR PROGRAM, WE HAVE CONTINUED TO TAKE INTO ACCOUNT THE LONG-TERM COST OF FACILITIES MANAGEMENT. WE ATTEMPT TO MAXIMIZE THE LIFE OF FACILITIES AND TRY TO ACHIEVE THE OPTIMUM BALANCE OF CAPITAL INVESTMENT, OPERATIONAL AND MAINTENANCE COSTS THROUGH GOOD DESIGN, CONSTRUCTION AND MAINTENANCE TECHNIQUES.

MILITARY CONSTRUCTION

THE MILITARY CONSTRUCTION PORTION OF OUR REQUEST IS $1.34 BILLION WHICH IS A 24 PERCENT INCREASE FROM THE $1.08 BILLION APPROVED IN FISCAL YEAR 1983 AND AN 8 PERCENT DECREASE FROM THE $1.45 BILLION APPROVED IN FISCAL YEAR 1982. THIS PROGRAM RESPONDS TO THE NAVY'S HIGHEST PRIORITIES OF IMPROVING READINESS AND SUSTAINABILITY OF CURRENT FORCES WITH EMPHASIS ON THOSE THAT ARE FORWARD DEPLOYED. IT PROVIDES THE CAPITAL PLANT INVESTMENT THAT IS NECESSARY IN FISCAL YEAR 1984 FOR THE SUPPORT OF THESE NAVY AND MARINE CORPS OPERATING FORCES, INTRODUCTION OF NEW WEAPONS SYSTEMS, AND THE EFFICIENT OPERATION OF THE SHORE ESTABLISHMENT. THE PRESENT ESTIMATED VALUE OF NAVY AND MARINE CORPS SHORE FACILITIES IS $72.7 BILLION AND WE HAVE A TOTAL REQUIREMENT OF $18.7 BILLION FOR NEW AND REPLACEMENT FACILITIES TO SUPPORT OUR GROWING NAVAL FORCE. THE PROGRAM WE HAVE SUBMITTED TO YOU WILL REDUCE THIS REQUIREMENT IN AN ORDERLY MANNER.

AS WAS THE CASE LAST YEAR, APPROXIMATELY 82 PERCENT OF THE PROGRAM IS FOR CONSTRUCTION WITHIN THE UNITED STATES WITH THE REMAINING 18 PERCENT FOR OUR OVERSEAS ACTIVITIES. EMPHASIZING READINESS OF CURRENT FORCES, SIXTY PERCENT OF THE PROGRAM ($806 MILLION) IS IN SUPPORT OF EXISTING MISSION REQUIREMENTS WHICH INCLUDES NEW CONSTRUCTION TO CORRECT FACILITY DEFICIENCIES (25 PERCENT), AS WELL AS MODERNIZATION OF OBSOLETE AND INEFFICIENT FACILITIES (35 PERCENT). THE REMAINING 40 PERCENT OF THE PROGRAM ($538 MILLION) IS FOR CONSTRUCTION TO MODERNIZE OUR FORCES AND INTRODUCE NEW WEAPONS SYSTEMS. WE ALSO CONTINUE TO PLACE EMPHASIS ON PROVIDING FACILITIES THAT PROMOTE MATERIAL AND PERSONNEL READINESS, ENHANCE PRODUCTIVITY, IMPROVE MORALE AND WELFARE AND CONTRIBUTE TO THE RETENTION OF PERSONNEL. THIS IS DEMONSTRATED IN THIS YEAR'S PROGRAM BY OUR PROPOSED REPLACEMENT AND MODERNIZATION OF MANY CROWDED AND INEFFICIENT

FACILITIES IN WHICH A LARGE NUMBER OF OUR PERSONNEL ARE NOW LIVING AND WORKING.

MODERNIZATION AND NEW SYSTEMS

THE $538 MILLION BEING REQUESTED THIS YEAR FOR PROJECTS IN SUPPORT OF NEW MISSIONS IS REPRESENTED BY A CONTINUATION OF SUPPORT FOR THE NAVY SUPPORT FACILITY, DIEGO GARCIA, THE F/A-18 AIRCRAFT, THE TRIDENT WEAPONS SYSTEM, THE AEGIS SHIP COMBAT SYSTEMS, AND THE LAMPS III HELICOPTER PROGRAM. WE ALSO ARE MAKING INITIAL MILITARY CONSTRUCTION REQUESTS IN SUPPORT OF THE LANDING CRAFT AIR CUSHION COMPLEX AT CAMP PENDLETON, CALIFORNIA, THE NEW NAVAL TRANSMITTER FACILITY AT REPUBLIC, MICHIGAN, AND A BERTHING PIER AT THE NAVAL STATION, CHARLESTON, SOUTH CAROLINA. THE $21 MILLION LANDING CRAFT AIR CUSHION COMPLEX WILL PROVIDE MAINTENANCE AND SUPPORT FACILITIES FOR A RECENTLY ESTABLISHED UNIT WHICH WILL OPERATE AND MAINTAIN THESE NEW ASSAULT CRAFT AS ELEMENTS OF AN AMPHIBIOUS TASK FORCE. THE $13 MILLION TRANSMITTER FACILITY AT REPUBLIC, MICHIGAN, WILL GREATLY ENHANCE THE SURVIVABILITY OF OUR SUBMARINES BY PROVIDING EXTREMELY LOW FREQUENCY COMMUNICATION, ALLOWING OUR SUBMARINES TO RECEIVE MESSAGES WHILE AT GREAT DEPTHS AND WHILE TRAVELING AT VARYING SPEEDS. AT THE NAVAL STATION, CHARLESTON, SOUTH CAROLINA, A NEW $39 MILLION PIER WILL BERTH THE SEVEN NEW SPRUANCE-CLASS DESTROYERS NOW HOMEPORTED THERE. IT WILL ALSO BE USED BY THE NEW FFG-7 FRIGATES SCHEDULED TO BE AT CHARLESTON BY THE MID 1980'S.

FACILITIES SUPPORTING THE TRIDENT SUBMARINE AND NEW TRIDENT II (D-5) WEAPON SYSTEM REPRESENT OUR LARGEST NEW MISSION REQUIREMENT. THE $132 MILLION REQUEST INCLUDES $85 MILLION FOR THREE TRIDENT II DEVELOPMENT FACILITIES AT THE NAVAL ORDNANCE TEST UNIT, CAPE CANAVERAL, FLORIDA, AND THE NAVAL WEAPONS CENTER, CHINA LAKE, CALIFORNIA; $39 MILLION FOR FOUR PROJECTS AT THE NAVAL SUBMARINE BASE, KINGS BAY, GEORGIA; AND $8 MILLION FOR THREE PROJECTS AT THE NAVAL SUBMARINE BASE, BANGOR, WASHINGTON. THE TRIDENT II DEVELOPMENT FLIGHT TEST FACILITY AT CAPE CANAVERAL FOR $60 MILLION AND THE UTILITIES AND SITE IMPROVEMENT PROJECT AT THE NAVAL SUBMARINE BASE, KINGS BAY, GEORGIA FOR $19 MILLION MAKE UP THE MAJOR PORTION OF THIS YEAR'S TRIDENT REQUIREMENTS. THIS THIRD YEAR OF CONSTRUCTION AT KINGS BAY, AND THE MISSILE DEVELOPMENT FACILITIES AT CAPE CANAVERAL AND CHINA LAKE, ARE NECESSARY TO MEET THE PLANNED INITIAL OPERATING CAPABILITY FOR THE TRIDENT II (D-5) SYSTEM AT KINGS BAY IN 1989.

IN ORDER TO CONTINUE PROVIDING THE REQUIRED FACILITY SUPPORT FOR NEW MISSION REQUIREMENTS AT THE NAVY SUPPORT FACILITY, DIEGO GARCIA, THE F/A-18 AIRCRAFT, THE LAMPS MARK III HELICOPTER, AND THE AEGIS CRUISERS, $107 MILLION IS BEING REQUESTED. FIVE PROJECTS AT THE NAVAL AIR STATION, LEMOORE, CALIFORNIA, FIVE AT THE NAVAL AIR STATION, CECIL FIELD, FLORIDA, AND TWO AT THE MARINE CORPS AIR STATION, BEAUFORT, SOUTH CAROLINA, PROVIDE $38 MILLION IN OPERATION AND SUPPORT FACILITIES FOR THE F/A-18. THE LAMPS MARK III IS SUPPORTED BY FOUR PROJECTS FOR $27 MILLION: TWO AT THE NAVAL STATION, MAYPORT, FLORIDA, AND TWO AT THE NAVAL AIR STATION, NORTH ISLAND, CALIFORNIA. FACILITY IMPROVEMENTS AT THE NAVY SUPPORT FACILITY, DIEGO GARCIA IN THE AMOUNT OF $34.5 MILLION, AND FOUR PROJECTS IN THE AMOUNT OF $7.5 MILLION FOR THE AEGIS CRUISERS COMPLETE THE $107 MILLION REQUEST. THE MAJORITY OF THE FACILITIES IN THIS YEAR'S PROGRAM FOR THESE NEW MISSIONS ARE SUPPORT FACILITIES SINCE MOST OF THE OPERATIONAL REQUIREMENTS WERE SATISFIED IN PRIOR YEARS.

READINESS OF EXISTING FORCES

$806 MILLION OF THIS YEAR"S REQUEST IS FOR MILITARY CONSTRUCTION IN SUPPORT OF OUR EXISTING MISSIONS, INCLUDING OUR ONGOING PROGRAMS IN SHIPYARD MODERNIZATION, WATERFRONT IMPROVEMENTS, NAVAL AIR REWORK FACILITIES UPGRADE AND MARINE CORPS MAINTENANCE FACILITIES IMPROVEMENTS.

FOR SHIPYARD MODERNIZATION, WE ARE REQUESTING FUNDING THIS YEAR IN THE AMOUNT OF $118 MILLION FOR THE SECOND PHASE OF A STEAM PLANT PROJECT AT THE NORFOLK NAVAL SHIPYARD, PORTSMOUTH, VIRGINIA. THIS PROJECT WAS FULLY AUTHORIZED LAST YEAR IN THE AMOUNT OF $160 MILLION AND PARTIALLY FUNDED AT $33 MILLION. THIS YEAR'S FUNDING WILL ALLOW US TO CONTINUE WITH THE ACQUISITION OF THIS MODERN REFUSE DERIVED FUEL AND COAL FIRED STEAM PLANT WHICH, WHEN COMPLETED, WILL FULLY MEET THE NEEDS OF THE SHIPYARD, AS WELL AS PROVIDE CO-GENERATION OF ELECTRICAL POWER.

TWELVE PROJECTS, LOCATED AT TEN ACTIVITIES, IN THE AMOUNT OF $92 MILLION ARE IN THIS YEAR'S REQUEST TO PROVIDE NECESSARY WATERFRONT IMPROVEMENTS. ALMOST HALF THE REQUEST IS FOR A FUELING PIER AT NAVAL STATION KEFLAVIK, ICELAND. THIS PIER, WHICH IS PROGRAMMED AT $44.4 MILLION, WILL ENABLE OCEAN GOING OIL TANKERS TO DELIVER JET FUELS DIRECTLY TO BULK STORAGE TANKS ADJACENT TO THE KEFLAVIK BASE AND INSURE RAPID, RELIABLE RESUPPLY OF FUEL FOR SUSTAINED OPERATIONS FROM THIS STRATEGIC BASE.

NAVAL AIR REWORK FACILITIES AT ALAMEDA, CALIFORNIA; CHERRY POINT, NORTH CAROLINA; JACKSONVILLE, FLORIDA; AND, NORFOLK, VIRGINIA ARE SUPPORTED BY SEVEN PROJECTS FOR $52 MILLION IN THIS YEAR'S PROGRAM THAT PROVIDE NEEDED IMPROVEMENTS IN SUPPORT OF EXISTING MISSIONS. THE $18.6 MILLION CORROSION CONTROL FACILITY AT ALAMEDA WILL PROVIDE AN ADEQUATE FACILITY CAPABLE OF MAINTAINING A CONTROLLED ENVIRONMENT FOR AIRCRAFT PAINT STRIPPING AND CORROSION BLAST - CLEANING. THE FACILITIES CURRENTLY BEING USED ARE SUBSTANDARD WITHOUT ADEQUATE ENVIRONMENTAL, POLLUTION AND DUST ABATEMENT CONTROLS. AT CHERRY POINT A $15.3 MILLION AUTOMATIC PLATING FACILITY WILL REPLACE EXISTING PLATING SHOPS WHICH ARE INEFFICIENT AND NOT IN COMPLIANCE WITH CURRENT OCCUPATIONAL AND ENVIRONMENT REQUIREMENTS.

THE MARINE CORPS IS CONTINUING A DYNAMIC PROGRAM TO IMPROVE MAINTENANCE FACILITIES. THE PROGRAM THIS YEAR INCLUDES TEN PROJECTS FOR $46.6 MILLION AT 7 MARINE CORPS ACTIVITIES, PROVIDING MODERN MAINTENANCE FACILITIES IN SUPPORT OF MARINE AIRCRAFT; AMPHIBIOUS, COMBAT, CRASH RESCUE, LIGHT ARMORED AND AUTOMOTIVE VEHICLES; AND HEAVY AND SUPPORT EQUIPMENT.

QUALITY OF LIFE

INCLUDED IN THIS YEAR'S REQUEST TO SUPPORT BOTH NEW AND EXISTING MISSIONS IS $235 MILLION FOR QUALITY-OF-LIFE FACILITIES. CONTINUED SUPPORT OF THIS PROGRAM WHICH PROVIDES FACILITIES SUCH AS UNACCOMPANIED PERSONNEL HOUSING; DINING FACILITIES AND MORALE, WELFARE & RECREATION FACILITIES IS ESSENTIAL FOR THE RETENTION OF NAVY & MARINE CORPS PERSONNEL. NAVY AND MARINE CORPS DINING FACILITIES AND UNACCOMPANIED PERSONNEL SPACES CONSTITUTE $156 MILLION OF OUR QUALITY OF LIFE REQUEST. THE NAVY'S REQUEST OF $105 MILLION IS 55 PERCENT GREATER THAN THAT APPROVED LAST YEAR AND THE MARINE CORPS $51 MILLION REQUEST IS 34 PERCENT OF THIS YEAR'S TOTAL MARINE CORPS MILITARY CONSTRUCTION PROGRAM.

THE NAVY IS CONTINUING ITS EFFORTS TO ENHANCE THE QUALITY OF LIFE OF ITS MEMBERS BY EXPANDING ITS CHILD CARE AND FAMILY SERVICES CENTERS PROGRAMS. THIS YEAR'S REQUEST INCLUDES 6 CHILD CARE CENTER PROJECTS IN THE AMOUNT OF $6.2 MILLION AND 18 FAMILY SERVICES CENTER PROJECTS IN THE AMOUNT OF $11.7 MILLION. THE GROWING NUMBER OF WOMEN IN THE MILITARY, WORKING SPOUSES, SINGLE PARENTS, AND JOINT MILITARY PARENTS MANDATES THE PROVISION OF ADEQUATE AND SAFE CHILD CARE ON MILITARY INSTALLATIONS. IT IS ALSO APPARENT THAT THE ONE-STOP CONCEPT FOR ALL AID AND INFORMATION THAT IS PROVIDED BY OUR NAVY FAMILY SERVICES CENTERS HAS A STRONG POSITIVE IMPACT ON THE MORALE OF OUR MILITARY PERSONNEL AND THEIR FAMILIES. WE BELIEVE THAT THE QUALITY-OF-LIFE FACILITIES REQUESTED IN THE PROGRAM CONSTITUTE A SOUND INVESTMENT WHICH WILL BE AMORTIZED BY THE RETENTION OF

KEY PERSONNEL. THIS IN TURN WILL HAVE A SIGNIFICANT POSITIVE IMPACT ON FLEET READINESS.

FAMILY HOUSING

OUR TOTAL REQUEST THIS YEAR FOR FAMILY HOUSING IS $704 MILLION IN NEW OBLIGATIONAL AUTHORITY. THE PROGRAM REPRESENTS A BALANCE AMONG ACQUISITION, COST OF OWNERSHIP, HABITABILITY IMPROVEMENTS, MAINTENANCE AND REPAIR, AND ENERGY CONSERVATION INVESTMENT FORMULATED TO PROVIDE THE MAXIMUM BALANCED BENEFIT TO MILITARY FAMILIES.

FUNDS REQUESTED FOR NEW CONSTRUCTION AND ACQUISITION OF FAMILY HOUSING ($98 MILLION) WILL PERMIT THE CONSTRUCTION OF 730 UNITS AT THE MARINE CORPS AIR STATION, EL TORO, CALIFORNIA, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA, AND, NAVAL PUBLIC WORKS CENTER, SUBIC BAY, PHILLIPINES, AND THE ACQUISITION OF 339 UNITS AT THE NAVAL SUPPORT OFFICE, LA MADDALENA, ITALY AND NAVAL AIR STATION, SIGONELLA, ITALY.

THE FISCAL YEAR 1984 POST ACQUISITION PROGRAM INCLUDES $9.3 MILLION FOR HABITABILITY ENHANCING IMPROVEMENTS TO EXISTING FAMILY HOUSING UNITS AND $3.9 MILLION FOR THE CONTINUATION OF OUR ENERGY CONSERVATION INVESTMENT RETROFIT EFFORTS. FUNDS IN THE AMOUNT OF $7.4 MILLION ARE REQUESTED FOR ARCHITECTURAL, ENGINEERING, AND CONSTRUCTION DESIGN SERVICES.

THE $585 MILLION REQUESTED FOR FAMILY HOUSING SUPPORT WILL PROVIDE FOR OPERATION AND MAINTENANCE, LEASING, AND DEBT PAYMENTS FOR THE NAVY AND MARINE CORPS IN FISCAL YEAR 1984. THE OPERATIONS REQUEST OF $247 MILLION IS HEAVILY INFLUENCED BY UTILITIES WHICH COMPRISES OVER 65 PERCENT OF THE OPERATING REQUIREMENT. FUNDS IN THE AMOUNT OF $289 MILLION FOR MAINTENANCE WILL PROVIDE FOR ROUTINE MAINTENANCE, IMPROVEMENT OF OCCUPANCY REQUIREMENTS, AND REDUCTION OF MAINTENANCE BACKLOG. FUNDS IN THE AMOUNT OF $18.2 MILLION FOR LEASING AND $31.6 MILLION FOR DEBT PAYMENTS COMPLETE OUR FAMILY HOUSING REQUEST.

SUMMARY CONCLUSION

I BELIEVE WE HAVE PROPOSED A PROGRAM THAT PLACES HIGH PRIORITY ON READINESS AND SUSTAINABILITY OF OUR FORCES AND INSURES A TIMELY RESPONSE TO THE NEEDS OF NEW WEAPONS SYSTEMS NOW BEING INTRODUCED TO MODERNIZE THE FORCES. EACH OF THE PROJECTS IN THIS BUDGET REQUEST HAS SURVIVED THE CLOSEST SCRUTINY OF ITS COST OF OWNERSHIP AND ITS CONTRIBUTION TO THE MISSIONS OF THE NAVY AND MARINE CORPS. WE URGE YOUR FAVORABLE CONSIDERATION OF THE NAVY'S FISCAL YEAR 1984 MILITARY CONSTRUCTION APPROPRIATIONS REQUEST. I WELCOME ANY QUESTIONS THAT YOU MIGHT HAVE.

FISCAL YEAR 1984 MILITARY CONSTRUCTION PROGRAM APPROPRIATION SUMMARY BY MAJOR CLAIMANT

(DOLLARS IN THOUSANDS)

Major Command	Budget Request	% of Program	Pollution Abate.
Inside the United States			
Marine Corps	$ 152.450	11.3	$ .920
Chief of Naval Operations	10.620	.8	
Commander in Chief, Atlantic Fleet	138.090	10.3	
Commander in Chief, Pacific Fleet	112.515	8.3	1.950
Chief of Naval Education & Training	96.240	7.2	9.910
Bureau of Medicine & Surgery	60.540	4.5	
Naval Material Command	411.210	30.6	8.490
Naval Oceanography Command	13.300	.9	
Naval Telecommunications Command	1.690	.2	
Naval Security Group Command	10.890	.8	
Subtotal	$1.007.545	74.9	$(21.270)
Outside the United States			
Marine Corps	$ .750	.1	
Commander in Chief, Atlantic Fleet	67.465	5.0	
Commander in Chief, Pacific Fleet	65.800	4.8	
Naval Forces Europe	47.780	3.5	
Naval Oceanography Command	.980	.1	
Naval Telecommunications Command	10.210	.8	
Naval Security Group Command	1.700	.2	
Host Nation Infrastructure Support	2.970	.3	
Subtotal	$ 197.655	14.8	$(21.270)
Total	$1.205.200	89.7	$(21.270)
Unspecified Minor Construction	$ 22.000	1.6	
Architectural & Engineering Services & Construction Design	115.600	8.6	
Access Roads	.900	.1	
GRAND TOTAL	$1.343.700	100.0	

SUMMARY OF FY 1984 FAMILY HOUSING APPROPRIATION

Installation and Project		Requested Amount ($000)
Construction		
New Construction		
MCAS, El Toro, CA	130 units	11.666
MCB, Camp Pendleton, CA	300 units	23.160
NSO, La Maddalena, IT	134 units	14.000
NAS, Sigonella, IT	205 units	20.000
NPWC, Subic Bay, RP	300 units	29.300
	Total	98.126
Construction Improvements		13.240
Planning		7.240
Total Construction.		118.761
Operations		
Management		38.327
Services		29.992
Utilities		161.498
Furnishings		16.698
Miscellaneous		93
Total Operations		246.608
Leasing		18.212
Maintenance		288.652
Interest Payments		2.832
Mortgage Insurance Premiums		.679
TOA, Navy Family Housing		675.744
Receipts		(11.456)
Debt Reduction		28.133
Total Appropriations Navy Family Housing		703.877

Rear Admiral William M. Zobel
Civil Engineer Corps, U. S. Navy

Born July 20, 1929, Rear Admiral William Marshall Zobel is the son of Captain W. A. Zobel, Civil Engineer Corps, USN (Retired) and Ruth (Marshall) Zobel. He is a graduate of the U. S. Naval Academy, Class of '52, and was commissioned Ensign on June 6, 1952.

His first tour of duty was as Fire Control Division officer in the USS Worcester. He entered Rensselaer Polytechnic Institute, Troy, N. Y., in March 1954 and graduated in September 1955 with a Bachelor of Science Degree in Civil Engineering. His first tour of duty with the Civil Engineer Corps was at Naval Air Station, Cecil Field, Florida. He then transferred to the Marine Corps Supply Center, Albany, Georgia. In 1959 he became the Operations Officer for Naval Mobile Construction Battalion FIVE, assisting with the construction of Navy and Marine Corps facilities on Guam and Okinawa.

Rear Admiral Zobel earned a Master of Science Degree in Physics, specializing in Nuclear Engineering, from the Naval Postgraduate School in Monterey, California, in 1963.

He subsequently served as Officer in Charge of the Navy's Nuclear Power Unit, Fort Belvoir, Virginia, and Public Works Officer at Naval Air Station, Oceana, Virginia Beach, Virginia.

In 1967 he was assigned to the Headquarters, Naval Facilities Engineering Command, Alexandria, Virginia, to direct the technical division giving support to primary witnesses during Congressional hearings on military construction. In June 1970, he was transferred to Vietnam as Chief of Staff, Third Naval Construction Brigade. Rear Admiral Zobel then assumed command of the 32nd Naval Construction Regiment and in 1971 became Commanding Officer of the Construction Battalion Center, Gulfport, Mississippi, and Commander of the 20th Naval Construction Regiment.

From 1973 to 1975 he served as Head of the Program Appraisal and Information Branch of the Office of the Chief of Naval Operations and Deputy Director, Department of the Navy, Program Information Center in Washington, D. C. He then became Commanding Officer of the Navy Public Works Center, Norfolk, Virginia. In 1977 he returned to Washington as Director, Construction Operation and Facilities Management Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics).

Rear Admiral Zobel became the Vice Commander, Naval Facilities Engineering Command/Deputy Chief of Civil Engineers on December 1, 1978. He became Commander, Naval Facilities Engineering Command/Chief of Civil Engineers on January 15, 1981.

He is married to the former Mary K. Counts of Charleston, S. C. and has three sons. He holds memberships in Tau Beta Pi, Chi Epsilon and Sigma Xi, and is a registered Professional Engineer in the state of Massachusetts.

His medals include the Defense Superior Service Medal, the Legion of Merit with Combat V, three Meritorious Service Medals, and the Meritorious Unit Commendation. He also wears the following campaign and service medals: Antarctic Service, European Occupation, National Defense with Star, Expert Pistol, Vietnam Service, Vietnam Campaign and Vietnamese Civic Action.

DEPARTMENT OF THE AIR FORCE

MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS

STATEMENT OF HON. TIDAL W. McCOY, ASSISTANT SECRETARY OF THE AIR FORCE FOR MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS

BUDGET REQUEST

Mr. McCOY. Mr. Chairman, it is an honor and a pleasure to be here before the Senator from Georgia as chairman of this subcommittee. I will ask that my statement be submitted for the record and perhaps give an abbreviated version of the abbreviated version that I had with me.

Senator MATTINGLY. I did not mean to pound you all into submission. [Laughter.]

Mr. McCOY. Well, all right.

Senator MATTINGLY. But 8 o'clock in the moring——

Mr. McCOY. I agree, we need to get through this part.

The Air Force military construction appropriation this year is about $3.4 billion. Of that, $2.3 billion is for military construction for the Active Forces, $42.2 million for the Air Force Reserve, $79.9 million for the Air Guard, and about $947 million for Air Force family housing.

SYSTEMS ACQUISITION

We break down the military construction part of the Active Force budget into several categories, one of which is systems acquisition. For this particular category of funding we are requesting about $1 billion. That $1 billion goes toward such large projects as $390 million for the Peacekeeper missile facilities at five bases; $150 million, about, for facilities at five GLCM bases; $49 million for the Space Transportation System; $75 million for the second and last increment of the Consolidated Space Operations Center, and some facilities for the F-16 and the B-1B. That is about $1 billion for those sorts of "systems bed-down" types of costs.

READINESS

In the readiness category we are requesting about $350 million, including $110 million for NATO prefinancing for the colocated operating bases in Northern Europe and Turkey.

QUALITY OF LIFE

In the quality of life area we have requested $328 million. This will provide for medical facilities, unaccompanied housing, and other facilities essential to recruitment and retention.

WORKPLACE UPGRADING

A fourth category is upgrading the workplace where our people work. If we have good facilities, it helps to retain our valuable people. That category is $460 million.

Finally, we are requesting $205 million for planning and design of future year military construction programs.

MILITARY FAMILY HOUSING

In the military family housing area we are requesting $947 million. Of that, about $100 million is programed for construction of about 1,075 new military family housing units. In particular, the Air Force asks special consideration of the military family housing that goes with the GLCM bed-down facilities. As you know, we achieved an IOC for that facility in December of last year.

Last year, the Congress denied funds for military family housing and dependent school funding that goes along with the bed-down of the GLCM in Europe on the basis, I perceive, that perhaps that program might not come forward, it might not be put into place.

We hate to send our people into this kind of an area on an unaccompanied status. It lowers morale and it lowers retention. We believe this year is a good year to fund that and bring that program on line in the same sort of first quality way that we normally handle Air Force facilities for families in a new area and a new environment.

Mr. Chairman, that is all I have. We look forward to working with you, the committee, and the committee staff, to provide the information you will need to judge our request.

Thank you very much.

[The prepared statement of Hon. Tidal McCoy follows:]

PREPARED STATEMENT OF TIDAL W. MCCOY

ASSISTANT SECRETARY OF THE AIR FORCE

MANPOWER, RESERVE AFFAIRS AND INSTALLATIONS

Before addressing the FY 84 MCP, I would like to review your Consolidated Space Operations Center (CSOC) concerns addressed in the FY 83 MCP Report.

In December we reported on all but two of the concerns raised by you relative to the Consolidated Space Operations Center. Our final report on interoperability of computer systems and technical facilities was submitted in February. Your concern regarding the adequacy of Title to the CSOC site resulted in the Air Force decision to acquire fee title to the site through a "friendly condemnation" action with the State of Colorado. Our analysis of your interest to acquire additional property to accommodate future expansion and prevent encroachment of the CSOC site indicates that such acquisitions would be prudent and highly desirable; however, there is no current operational requirement. Because of rapidly changing technology and space-related military requirements, additional land would assure our ability to protect our investments and to accommodate these unknown requirements. Adequate additional property is available and could be acquired at relatively low cost through exchange or purchase from the State of Colorado and purchase from a small number of private parties. Congressional authorization would be required in any case and, if purchase were required, we would need appropriations. The details of our property analysis are in our December report and we await Congressional guidance.

The Air Force appreciates the opportunity to overview our Fiscal Year 1984 Military Construction Program (MCP).

I would now like to provide an overview of our $3.4 billion request for construction appropriation. Of this $2.3 billion is for the Active force MCP, $947.2 million is for the active Air Force family housing program, $42.2 million is for the Reserve, and $79.9 million is for the National Guard. The following are the high points of the active forces MCP and family housing program.

Our FY 84 MCP is arrayed in five functional categories: systems acquisition, readiness, quality of life, upgrading the workplace, and other military construction.

Systems acquisition for FY 84 amounts to $1.0 billion. Included in this project category are:

a. $390 million, exclusive of planning and design and family housing, in support of Peacekeeper. Construction of flight test facilities at Vandenberg AFB, training facilities at Chanute and Lowry AFBs, depot support facilities at Hill AFB and numerous support facilities at F.E. Warren AFB are included in this request. These facilities are required in support of the proposed basing of 100 Peacekeeper missiles near F.E. Warren AFB. We will restructure the facility requirements to conform to the recommendation of the President's Commission and subsequent direction from the Congress, if necessary.

b. $49.2 million is budgeted for the Space Transportation System. This is the sixth year we have requested appropriation in support of this essential national program. The request includes appropriation for security modifications at Cape Canaveral, Johnson Space Center, and Vandenberg to permit the secured accomplishment of classified DOD missions. Also included is appropriation for an external tank deicing facility and hazardous material management facilities at Vandenberg.

c. $75.0 million is budgeted for the second increment of the Consolidated Space Operations Center (CSOC). This increment includes: the engineering and administration facility, a support building, completes the central power plant, and access roads. We anticipate CSOC construction to be complete in August 1985, to support the secure DOD satellite missions scheduled for late 1986.

d. $20.5 million is budgeted to construct a new radar site in Greenland as part of a multi-year program to upgrade the dew line. When complete in 1988, the new dew line system will provide greatly improved aircraft detection capability, fewer operators, and less maintenance costs.

e. $5.9 million is budgeted for initial construction to support the FY 86 beddown of the B-1B at Dyess AFB, Texas. Included are munitions storage and training facilities. The remaining Dyess facilities and construction to support the requirements at the second beddown location will be programmed in FY 85.

f. $29.9 million is budgeted to initiate a program to beddown two F-16 squadrons at Misawa AB, Japan. This is a joint U.S./Japan funded program with Japan expected to provide approximately $275 million of the required $373 million. The forward deployment of these aircraft to the Pacific theater is designed to counter the Soviet threat in the East and enhance our capability to respond to contingencies in the region.

g. $147.9 million is budgeted for five GLCM deployment sites. Continuing the efforts we began in FY 1980 to deploy GLCM is extremely important as it demonstrates NATO's commitment and resolve to offer a modern credible deterrent to Soviet actions. We must demonstrate our willingness to move forward with the GLCM program.

h. Directly related to expenditures for the sites is the request for $24.2 million to build 250 new military family housing units we are requesting for RAF Greenham Common to support accompanied tours for GLCM personnel. Last year, the Air Force was greatly concerned when Congress decided to support only unaccompanied tours. Such a policy would be very costly in terms of additional manpower requirements, would reduce our operational efficiency because of frequent turnover and would lay severe hardship on the backs of the personnel assigned.

This year, we will actively seek relief in the form of the necessary dependent support facilities for the initial operating locations.

This request is based on several grounds. First, the Air Force policy is to avoid family separations whenever possible. The Air Force believes that family separation decisions should not be made on an economic basis alone. Secondly, a recent analysis comparing cost of unaccompanied versus accompanied tours to RAF Greenham Common revealed that over 5-year period, it would cost the Air Force about $25 million more for unaccompanied tours due to the added costs associated with more frequent rotation. Finally, the social costs of unaccompanied tours are substantial Our experience indicates that in these situations alcohol abuse doubles, discipline problems are three times greater, and drug abuse is six times worse. The Air Force, for these reasons, totally supports the policy of accompanied family tours to GLCM sites and asks this Subcommittee for its support as well.

The second category -- readiness -- totals $330 million and includes $110.8 million in NATO prefinancing for two European programs to support reinforcing aircraft. $44.1 million supports collocated operating base minimum essential facilities and $66.7 million supports a new initiative to upgrade two Turkish airbases.

This prefinancing request is based on our firm conviction that NATO's on-going mid-term review of the infrastructure program will allocate substantial funds for SLICES 34 and 35 and that with these increased funds NATO will fully support our initiative to construct minimum essential facilities for collocated operating bases. Moreover, the Government of Turkey has, as a complement to our prefinanced initiative, allocated more than $30 million of construction for the two Turkish bases. Also included in this Readiness category is $164.2 million to support the rapid deployment of U.S. CENTCOM forces into Southwest Asia. The balance of our readiness requirements is in Europe, the Pacific, and in support of worldwide contingency forces.

In FY 83, you continued to support our program to modernize our facilities by appropriating $660 million. As we stated last year, our intent is to reduce the $7.5 billion backlog to a manageable level by 1988. To continue this program, we are requesting $788 million in FY 84. With your continued support, we will fulfill our modernization goal. Included in our modernization program are the next two categories of our MCP program: Quality of Life, and Upgrading the Workplace.

The third category — Quality of Life — includes a request for $328 million for facilities essential to the recruitment and retention of quality personnel. $82.6 million is programmed for medical facilities of which $60.2 million is for hospitals at Eielson AFB, Alaska ($22.2M) and Minot AFB, North Dakota ($38M) to replace aging facilities which can no longer efficiently deliver quality medical care. $219.5 million is for constructing new or renovating existing constructing new or renovating existing unaccompanied personnel housing. While most is for enlisted personnel ($186.8M), we will begin this year to correct serious deficiencies in our unaccompanied officers quarters, primarily in overseas areas. $35.0 million is for other community facilities, primarily gymnasiums to improve the physical fitness of our personnel and child care centers to provide essential service for our families.

Upgrading the Workplace — our fourth category — contains $460 million for those facilities where the mission of the Air Force is accomplished daily. Included are facilities for operations, training, maintenance, production, supply, administration, and reasearch and development. Also included are projects to support our continuing effort in the areas of national concern — energy conservation, pollution abatement, and improvement of occupational health and safety. The central purpose here is to provide facilities which meet the mission requirements of our modern systems, contribute to increased productivity, and fulfill the national energy conservation, pollution abatement and safety policies.

The final category — other military construction — totals $205 million for planning and design of this and future year MCPs, and unspecified minor construction.

I will now move on to military family housing. I would like to first thank the Committee for their support of this program during the last two years. Your concern for people has enabled us to begin a turnaround of our maintenance and upgrade backlogs which resulted from a significant underfunding of the military family housing accounts during the 1970's. Our program is to reduce the maintenance backlog to a manageable level by FY 1990 and to eliminate the improvements backlog by FY 1990. Moreover,we must improve the energy efficiency of our aging inventory of houses most of which are over 25 years old and were constructed assuming an unending supply of"cheap" energy.

I ask that you not only continue to support our efforts to upgrade and maintain the existing inventory but also support our new construction requirements. This program has been developed to reduce our deficit and satisfy the requirements asssociated with the deployment of new weapon systems such as GLCM. Recent surveys have indicated a deficit of 15,000 units with the majority in overseas areas. During trips, Mr. Orr and I have visited off base housing units and found many of them deplorable. It is unconceivable that we allow ourselves to lose a person in whom we may have invested several million dollars because we do not provide an adequate place to live. The FY 84 program is the beginning of a renewed effort to eliminate the new construction deficit. The program we have submitted and summarized here today has been thoroughly developed and reviewed by Air Force officials at every echelon — Base through Secretariat -- and by OSD and OMB during the preparation of the FY 84 Budget. These construction requirements which have successfully competed at every level of review are the Air Force's highest priority requirements.

During the forthcoming legislative session, Major General Clifton D. Wright will be providing to you details of our active force program, including family housing. Major General John B. Conaway,Director of the Air National Guard, and Major General Sloan R. Gill, Chief of the Air Force Reserve, will discuss their share of total force requirements when called upon in the near future.

Mr Chairman, that concludes my statement. I thank you and the members of this Committee for this important opportunity. If there are any questions, I will be pleased to respond to them or provide approriate information for the record.

GENERAL QUESTIONING

Senator **MATTINGLY**. Thank you all very much for your statements.

As we begin the questions today the areas that we are going to try to cover are going to be broad in nature to correspond with the testimony that you have presented today.

The subcommittee will ask specific questions about specific projects when we hold individual service hearings as we go along. And, we may also submit further questions for the record as we continue with this budget review process.

Before I begin I would like to say, Mr. Korb, that in the Senate version of the Jobs bill that is being considered now—we passed it in the Appropriations Committee—that it had an addition to it, asking for a monthly report in relation to the savings that we are now seeing being attained by lower bids and by lower inflation in the current year.

As you well know, we are in the process of approving something like $240 million worth of additional projects through savings.

We could have additional savings in this fiscal year and what we would like to see is a report on a monthly basis so we can see if we are receiving more savings then anticipated so we could shift some items at no net cost to the taxpayers.

I thought I would put that across your bow right now. It would be really helpful to the Appropriations Committees—both in the House and Senate—if we would start pursuing that.

The appropriation for military construction has more than doubled since 1978 according to your statement. Last year, the Defense Department testified to a $40 billion backlog in military construction requirements.

BACKLOG ESTIMATES

Could you tell us what you estimate the backlogs are this year?

Mr. **KORB**. I would say unfortunately the backlog hasn't decreased. As Secretary Bonner mentioned in his statement, our new commitments are not eating into it very much. I would say that depending upon what happens with what you mentioned before on the lower bids, that is helping.

I would say that by the end of this fiscal year that we may be able to cut it by $3 or $4 billion.

Senator **MATTINGLY**. How do you determine that? Is that determined just as the year goes by and something else gets older? Is that just sort of an add-on as we go down?

Mr. **KORB**. Well, obviously in terms of estimating it you look at what you need to do to fix up what you have. As you begin to let the contracts then you are beginning to fix it up.

I can tell you, for example, the services are saying that we have about $70 billion in projects that need to be funded to eat into this backlog.

Senator **MATTINGLY**. When do you think it will reach a manageable level, at the rate we were going in the last 2 years and projections for this year?

Mr. **KORB**. I would say that when we came into office, I estimated that given the likely amount of funding going to military construction, given how quickly we could let contracts; given that we wanted to add the new and take care of the old. It will take us 10 years to wipe out that backlog.

With this committee's support I think we are on the way to doing that. We are into the second year. But it is going to take us a good 10 years to wipe out that backlog.

INFLATION FACTOR ON PROJECTS

Senator **Mattingly**. I think once again you see the importance of my first statement about what we are including in the Senate bill. If we can get those reports on a timely basis I think we can make some headway between now and September 30 and save time, generate some real jobs in the economy instead of some false jobs that are trying to be generated by the jobs bill that we have in front of us today in the Senate.

I understand that prior to the submission of the President's budget to Congress that the inflation factor used in MILCON was lowered. What inflation factor is now being used to determine the price of these projects?

I assume that you use different factors for different accounts.

Mr. **Korb**. Yes, we do. The President's budget did change that, we used the lower inflation factor for not only construction but for a lot of other items in the Defense budget. I have them listed.

For 1983 to 1984 for military construction we used 4.5 and for family housing 5.0.

Senator **Mattingly**. The 5.0 for which fiscal year for family housing?

Mr. **Korb**. That is the index for 1983 to 1984.

Senator **Mattingly**. All right. Could you tell us what factors for inflation are being used as you proceed with the budget process in fiscal year 1985?

Mr. **Korb**. For next year we are estimating in MILCON 4.7 and family housing 4.8.

Senator **Mattingly**. What determines those factors, do you get that from CBO?

Mr. **Korb**. We base it upon a number of indices. We look at the economic forecasts of the various private firms. We look at trends in the construction industry and we are simply making an educated guess. I am happy to report, as you mentioned earlier, that because our previous estimates were a little bit too high we were able to get construction to come in lower than we estimated.

Senator **Mattingly**. I am glad you said "educated guess." I think we use that also sometimes in the Budget Committe.

ALLOCATED AMOUNT FOR MILITARY CONSTRUCTION

I would like to know how the Department and the services determine what amount of your budget is allocated for military construction. I ask this question because of the considerable differences in the services' requests—not so much this year but in the past.

Mr. **Korb**. We have the various accounts, we have personnel, operations, procurement, construction. We do not set aside a specific amount. We review the services' proposals, and the Office of the

Secretary of Defense works out a program. We establish a priority. Then within those parameters we make a judgment as to what needs to be done.

For example, if you have a weapon system that is coming into the force, then obviously you have more military construction in a particular year. As Secretary McCoy mentioned, we are proceeding this year to deploy the ground-launched cruise missile. We obviously do not like to deploy our people without adequate facilities because we see that affects retention and morale. So, these things are looked at together.

It is only after we finish going over the budget that we aggregate them into the accounts. So, we do not set aside a certain amount for military construction, we try and implement the Secretary's and the President's program in the best way that we can and work these things out together in the programs.

DAVIS-BACON ACT

Senator MATTINGLY. Now, while the Appropriations Committee does not really deal directly or become involved with the Davis-Bacon Act, could you please tell me if any assumptions on the Davis-Bacon Act were included in the MILCON budget request?

Mr. KORB. Our assumption is that the law will remain as it is right now.

Senator MATTINGLY. Well, is there any role that the Defense Department or the administration would play in relation to proposals on Davis-Bacon which might be considered during this Congress?

Mr. KORB. As in the past, I believe it was last year and the year before, Senator Thurmond had introduced a bill that would exempt military construction from Davis-Bacon.

If such a bill should be introduced again, then the Department would take a position on it at that time, after coordinating it within the administration.

I think it is important to keep in mind that the last time that this bill was introduced, our recommendation was that this could be handled administratively and there was a decision made that we thought would help bring down construction costs by the way they interpreted Davis-Bacon. Unfortunately, that decision was overturned by a court. So now we are back to the legislative process.

Senator MATTINGLY. On family housing or other projects—let us say family housing—would Davis-Bacon make any difference?

Mr. KORB. Yes, it would.

Senator MATTINGLY. What difference would it be, what percent?

Mr. KORB. Our best estimate—and we can furnish you specifics for the record—is that Davis-Bacon adds about 20 percent to our construction projects.

Senator MATTINGLY. Twenty percent?

Mr. KORB. Let me correct the record here; I would say it is closer to 5 percent.

Senator MATTINGLY. All right. That is still plenty. That is almost like the inflation factor, is it not?

Mr. KORB. Yes, sir.

FAMILY HOUSING CONTRUCTION COSTS

Senator MATTINGLY. Just as an aside, I do not know what the total family housing projection is. What was it again for fiscal year 1984 domestically, was it $2.23 billion? You do not need to look it up.

Mr. KORB. Family housing construction for 1984 is $477 million.

Senator MATTINGLY. It would be an appreciable amount of money, then. We could probably build more family housing.

Mr. KORB. Yes, sir.

Senator MATTINGLY. We might think of a new way to put that in. Would it have an impact on other construction projects also? It would, would it not?

Mr. KORB. Yes; all construction in the United States.

Senator MATTINGLY. Right. And that would amount to what, then for the United States?

Mr. KORB. We estimate, for example, on Davis-Bacon that if Davis-Bacon were not in effect in fiscal year 1984, we would save on the order of about $180 million.

Senator MATTINGLY. $180 million. I appreciate that. I might be able to use that this afternoon on the floor of the Senate.

OBLIGATION RATES

You know, there is always some concern expressed by some Members of Congress about obligation rates and unobligated balances in the Defense Department.

I am fully aware that because of the nature of the construction the full amount appropriated for a project may be expended over as many as 5 years. However, your request for $8.6 billion in new budget authority this year amounts to about $2.5 billion in new outlays.

How do we tie this outlay figure to the number of projects put under contract?

Mr. KORB. I do not think I understand the import of your question. Are you talking about the fact that we spend the money over 5 years, Senator?

Senator MATTINGLY. What percentage of the projects would be obligated during the fiscal year?

Mr. KORB. I see. In other words, what amount of money is spent in each fiscal year?

Senator MATTINGLY. Yes.

Mr. KORB. I have that broken down, I know, by year.

Senator MATTINGLY. If you will just have it for the record I would appreciate it.

[The information follows:]

OUTLAY RATES OF AWARDED PROJECTS

We awarded 84.3 percent of our fiscal year 1982 MILCON projects during that fiscal year. Outlay rates are about 12 percent the first year, 42 percent the second year, 23 percent the third year, and 23 percent over fourth and fifth years.

NAVY OUTLAYS

Admiral ZOBEL. I might give you an idea, if I might, for the Navy. In a normal year we would obligate roughly 90 percent of those funds that were made available. Now, that does not mean that we would outlay them because in our first year our outlays are relatively small in this program. Then they grow and then diminish as time goes by.

So, as far as obligations are concerned we quickly obligate the money. The outlays then follow those obligations as we actually pay the contractors.

Mr. **Korb.** But we estimate overall in the Department of Defense that about 12 percent in outlays occurs in the first year. Then, as the Admiral mentioned, then it grows to 42 percent; in the following year 23 percent.

Senator **Mattingly.** You mean outlays, really a 12-percent outlay in the first year.

Mr. **Korb.** Yes.

Senator **Mattingly.** What percentage of the project, then?

Mr. **Korb.** You see, it is not based on projects. If you authorize a project for us, normally what happens is the contract is signed soon after the bill is passed. All of the money is obligated, but only part of that money for each project is spent, or considered an outlay in the first year.

Senator **Mattingly.** For design or engineering or, if it has already been designed and engineered, it would be for construction.

Mr. **Korb.** That is correct. So, it would vary depending upon the project. For example, we would estimate that of the projects we have before you that military construction, $6.4 billion, that about $0.8 billion would actually be expended in fiscal year 1984.

PRIOR-YEAR OUTLAYING

Senator **Mattingly.** Not to dwell on Davis-Bacon but, going back to Davis-Bacon, with the 5-percent savings you would save $180 million. Those are in construction. That would not be applicable to design contracts. So, I guess we would multiply that out some way.

Yes, Mr. Bonner?

Mr. **Bonner.** Since this outlay is at different rates over a period of 5 years, we have prior-years outlaying at the same time we start the outlaying of the current year. So that you would have to go back and figure out what your prior year outlays are for that specific year to calculate the impact of Davis-Bacon.

Senator **Mattingly.** I understand this is a lot more complicated than when I added on to my house.

Admiral **Zobel.** Actually, it is probably going to come out to about the same because you make a contract with, say, a contractor who is going to fix up your house. At that time you obligate yourself to pay him, say $25,000 to add something to your house. Then you may have a contract with him that says you will pay him so much a month against that, or as he extends money or needs to buy materials you would reimburse him for that which he actually spent.

You get the outlays then following the initial obligation.

Senator **Mattingly.** I might ask you all, how do you get a contractor to come back and help you out if you have a skylight that leaks? [Laughter.]

But I will not pursue that.

Admiral **Zobel**. That is a tough one, Senator.

Mr. **McCoy**. We have the same problem.

Senator **Mattingly**. My wife is still trying to get that one answered, too.

MOBILIZATION REQUIREMENTS

I understand each of the services, particularly the Army and the Air Force, are looking more and more closely at mobilization requirements, both within the United States and in their overseas locations.

For example, I understand that the Army intends to board up and retain World War II facilities for use during mobilization. I wish you would please tell the committee what this program involves and what military construction requirements may be necessary now or in the future in this respect.

Mr. **Bonner**. Mr. Chairman, for the Army we are looking very closely at those buildings. Needless to say, we do not want to keep a facility, a barracks, say or some other type of facility, that is not economical to maintain.

This is a very difficult thing because, as you can recognize, out in the field each commander looks at his mission and his requirements and, being conservative human beings as we all are, they would like to hold on to everything.

So, we have to apply a pressure on them and say, "Now, look, let us be realistic about this." Then we finally get down to where there are some of these World War II facilities that could be used in the event of a mobilization. But we do not want to keep them open and keep the utilities flowing into them.

So, if it really meets a very stringent criteria that we can hold that for mobilization then we would try to put it in a so-called mothball condition and hold it in that status.

That is sort of a compromise of all situations that we consider.

Senator **Mattingly**. Would that include World War II barracks that are just painted and left standing?

Mr. **Bonner**. In some instances.

Senator **Mattingly**. Is that the mothballing they are doing?

Mr. **Bonner**. Let me stay that these types of barracks over the years have been upgraded from time to time. That does not mean they are very good.

Senator **Mattingly**. I know, I have seen them on the posts.

Mr. **Bonner**. Yes, sir.

Senator **Mattingly**. I have seen them sitting there and recall them very well because I used to live in one. But I see them painted and sitting there very nicely, and they are empty.

Mr. **Bonner**. Yes, sir.

Senator **Mattingly**. I am not doubting the validity of what you are saying but I would like to know why.

Mr. **Bonner**. The other option is to tear them down and then when mobilization comes we would have to go into tents or we would have to go to where we could find facilities—such as universities. I remember in World War II when the Army Air Corps took over the hotels in Miami Beach and had their Officer Training Corps established there.

That is something that might be possible but it would be very alarming if we started planning that sort of thing in peacetime.

Senator **Mattingly**. I just wondered about the cost involved in that and the value of retention.

Mr. **Bonner**. We were very much aware of the cost, Mr. Chairman, and we certainly minimize the costs of that kind of thing to the maximum degree that we possibly can.

IMPROVED MANAGEMENT OF BASE SUPPORT

Senator **Mattingly**. Mr. Korb, in your statement you mentioned improved management of base support. One area of special interest is of course contracting out.

I have recently visited Fort Gordon in Georgia and was briefed on what appears to be an outstanding contract for base services, but on the other hand we have all heard horror stories about contracting out in some locations.

What position does the Defense Department take in this area?

Mr. **Korb**. The position of the Defense Department is that where something can be performed by the private sector without impacting on readiness, we go to the private sector. Before we do any contracting out, as you know, there are exhaustive cost studies done in which the in-house people compete. In fact, they get a "break" if you will. The outside bidder has to be better by 10 percent compared to the in-house group. After having done that, we then go and do the contracting out.

Now, I am certain that, like in any type of enterprise, things do happen, people make a bid, companies go out of business. There are lots of things happening. But overall I think that the program is working well. We were saving about $140 million a year.

More than that, it allows us to put our military people into activities that are more critical to readiness. It enhances State and local tax revenues. So, we think that it works well and in fact for every, time we have a problem, we have some other good things happen. For example, sometimes the private sector tells us better ways to accomplish our mission—for example on tank maintenance at Fort Irwin.

So, our policy is to do it where it does not impact on readiness. We think that it is a good program and we continue to do it where we can.

Senator **Mattingly**. Is there an ability where there is an outstanding contracting service being provided on a military installation and you find that there is an area that is not being contracted out efficiently or cost effectively, how much trouble is it to change that area?

TIMBER CUTTING ON FEDERAL LANDS

I am thinking specifically in the areas of some places where they can contract out timber off lands efficiently and some places they cannot do that.

Mr. **Korb**. When you are talking about contracting, you mean allowing people to cut the timber on Government land?

Senator **Mattingly**. Right.

Mr. **Korb**. Unless I misunderstand you, that is a little bit different than contracting out. I mean, you are talking about the selling of timber from Government lands?

Senator **Mattingly**. Well, I think what they do, they have the people from the installation even go out—I believe at Fort Gordon if I am not mistaken they contract out the timber cutting. They say that the people from that base, the Federal employees, their group can do it more efficiently and costwise than the others.

Now, what would the process be for those people to try to rectify that if that were in fact true?

Mr. **Korb**. Oh, I see, you mean to bring it back in-house. Well, these things are reviewed, they are contracted out for a period of time. There is a limiting date and then it is recomputed.

Senator **Mattingly**. In other words, a proposal could be put forth and sent directly to whoever it may be in the DOD?

Mr. **Korb**. No, we go to the local commanders.

Senator **Mattingly**. The local commanders?

Mr. **Korb**. The base commanders.

FAMILY HOUSING MAINTENANCE CONSOLIDATION

Senator **Mattingly**. In another area of improved management at the base level your statement makes note of family housing maintenence consolidation—Panama and Hawaii. Tell the subcommittee what this involves and the rationale behind such a move.

Mr. **Korb**. Well, essentially what we are talking about is rather than having the operation, if you will, managed by four separate services we have one service which we designate as the single manager for all of the armed services.

For example, in Hawaii the Army would be the single manager and they would allocate the housing to all of the military personnel so each service would not have to maintain a separate management unit.

Senator **Mattingly**. Thank you.

Your request in the area of air, water, and noise pollution is relatively small this year, about $80 million. Does this mean that you are nearing the end of the line with regard to requirements in that area?

Mr. **Korb**. No, sir, I think we are going to have to continue that for a while. I can furnish for the record an exact estimate of when we will be.

[The information follows:]

Pollution Abatement Program

The DoD military construction request for pollution abatement funds in Fiscal Year 1984 represents an increase from the FY 1982 and FY 1983 programs. The figures are:

Fiscal Year	Amount ($million)
1982 (as enacted)	50.8
1983 (as enacted)	46.3
1984 (request)	68.2

The Defense Department continues to identify new pollution abatement project requirements. This results from new or increasingly stringent federal and state environmental regulations. For example, new best available treatment (BAT) regulations and new state or local pretreatment regulations for toxic pollutants will result in some future wastewater projects. Further, as some municipal wastewater treatment plants (to which DoD installations are connected) upgrade their treatment systems, DoD will require military construction funds to pay our fair share.

New EPA hazardous waste storage, treatment and disposal regulations, and the federal requirement for DoD to control its inactive and previously owned hazardous waste disposal site contamination, will also result in future military construction requests. DoD is also potentially subject to major air pollution abatement requirements from local regulations governing jet engine test cells. The outcome of continuing state and local negotiations will determine whether expensive new air pollution control technology will be required, with corresponding expenditures needed through our MILCON program. We see a continuing requirement for pollution abatement MILCON funding for an indefinite future period.

The specifics of our outyear programs are not firm at this time. However, the following major projects are some examples of the kinds of pollution abatement projects we expect would be included in future year programs. There are many other minor projects in our pollution abatement MILCON program backlog. When regulations become effective, pollution abatement projects are authorized for design and are placed in a definite program year.

The cost estimates for projects listed below are preliminary and subject to change.

(Costs in $million)

	Army	
• Picatinny Arsenal, NJ	Regional Sewage Treatment Plant Connection	5.4
• Radford Army Ammo Plant, VA	Red Water Treatment	25.1
• Ft. Lewis, WA	Pollution and Hazardous Substance Containment	1.4
	Navy	
• NOS Louisville, KY	Industrial Waste Treatment Plant	9.0
• NTC Orlando, FL	Municipal Wastewater Treatment Plant Upgrade	6.5
• NATC Patuxent River, MD	Municipal Wastewater Treatment Plant Upgrade	3.6
• NSYD Philadelphia, PA	Municipal Wastewater Treatment Plant Upgrade	6.0

	Air Force	
• Anderson AFB, GU	Line POL Dikes and Basins	6.8
• Vandenberg AFB, CA	Fuel Vapor Recovery	2.2
• Castle AFB, CA	Groundwater Pollution Abatement	2.5
• Pease AFB, NH	Hazardous Waste Clean-up	2.5
• Eglin AFB, FL	Replace Main Base Wastewater Treatment Plant	1.2
• McDill AFB, FL	Alter Sanitary Sewer Mains	2.5
• Seymour Johnson AFB, NC	Upgrade Regional Connection	1.6
	DLA	
• DPDO San Diego, CA	Hazardous Material/Hazardous Waste Disposal Facility	1.2
• DPDO Honolulu, HI	Hazardous Material/Hazardous Waste Disposal Facility	2.5

The above list does not represent DoD's FY 1985 pollution abatement program. However, we expect the FY 1985 request to be at least as large as the FY 1984 request.

ENERGY CONSERVATION PROGRAMS

Senator MATTINGLY. Do you have any major projects you know of coming up? If you do, just submit them for the record, that will be sufficient.

You know, I support the energy conservation programs which have been initiated by the DOD. You had made mention in your statement that further guidance had been issued to the services to strengthen the program. Just what does that mean?

Mr. KORB. Well, essentially what we have told the services is that we expect them to continue to meet their goals and continue to invest in areas that will bring long-term savings in energy conservation.

Senator MATTINGLY. Did the Department of Defense achieve compliance which is required by the national energy conservation policy?

Mr. KORB. I think I mentioned in my statement that it will take us until 1990 to be completely in compliance.

SUBMITTED QUESTION

Senator MATTINGLY. I have one additional question on energy conservation that I will submit for the record.

[The following question was not asked at the hearing, but was submitted to the Department for response subsequent to the hearing:]

ENERGY CONSERVATION PROGRAM

Question. I realize that one of the biggest selling points of the energy conservation program has been the ability to amortize the projects over a relatively small time. With the decline in the cost of oil, does the energy conservation program then become not as cost effective?

Answer. To the extent that petroleum products prices are reduced during this period of oil cost uncertainty those projects which save oil use in installations will become less cost effective. However, there are several factors which will continue to make energy conservation an attractive investment. Only 23 percent of installation energy is provided by petroleum and the cost effectiveness of projects involving the other energy sources will continue to be as attractive, or slightly less attractive, than they have been. Our average project simple pay back has been less than five years. Even if petroleum products prices drop 50 percent we will continue to have many projects which will be cost effective. In addition, the conservation program provides a method to improve installation support capability in the event of future petroleum shortage. The conservation program will continue to provide both short and long term benefits.

WORKING CONDITIONS

Senator **MATTINGLY**. In the area of working conditions, I understand the importance which is being placed by all the services on the quality of life for our service members and their dependents.

However, it is noticed by many that the services differ in regard to what each considers adequate. Can you tell the committee what the differences are there, why the differences?

Mr. **KORB**. Well, this is a very difficult thing to measure in terms of the whole panoply of things that we put under living and working conditions. There are standards, for example that the services have that are approved by the Congress in terms of the square footage allotted to people, say, on the base. But obviously it cannot be the same on a ship as it might be for a barracks.

I think it is consistent with where they are, what is expected of the people. The Army, for example, has a much larger percentage of its force overseas than do the other services. The people overseas perform a different type of mission.

Primarily, we allow the services to determine what they think are the acceptable standards. But we make sure that all the people and their dependents are treated in a way that is fair and decent and will not impact on morale.

When we get complaints we go around and visit. If we find that the situation is not what it should be, then we meet with the service to see what we can do to correct it. We let each of the services comment on how they set their own individual standards.

Mr. **BONNER**. Mr. Chairman, if I might comment. As you are aware, the Army has far more installations than the other services and we have far more individual units than the other services, and they are spread over a much larger geographical area.

When you consider that the conditions that are necessary to maintain aircraft are considerably more than that to maintain a jeep or a truck, then the consideration that we must make is to the type of facility that we need for the maintenance of the specific equipment.

Certainly, for our helicopters we need facilities that are similar to those of the Air Force and Navy for aircraft, while at the same time to maintain our trucks we do not need the same degree of sophistication.

This covers a wide spectrum. But I would go back to my opening statement, that we have suffered from this neglect over the last decade and we have some very deplorable conditions. We are emphasizing that along with our quality of life this year.

Admiral **ZOBEL**. Mr. Chairman, if I could add just one thing for the Navy. Under Mr. Korb's office we in the Navy are joining with the Army and the Air Force in an agreement on our unaccompanied enlisted personnel housing for a standard two-room module in those facilities. With the exception of recruits—which are considered to be separate and could use open-bay barracks, we will have a criteria when we get into the higher grades which is now standard for Army, Navy, and Air Force in using a two-room module. We then will assign, for example, two people to a room or one person to a room, or one man to two rooms, depending on his particular grade.

We think that is progress by making sure that our standards will be similar in those kinds of facilities.

Mr. McCoy. Mr. Chairman, if I may add one thing. I think part of the secret to the installations' quality of life type of issue is that when a weapon system is deployed—and we face that situation now with the GLCM in Europe or with any new weapon system and as you move forward after accepting a new mission and a new weapon system to go with it, the military construction package that goes with and supports that newly acquired mission has to come right along with what is going on in the mission area, whether it be the strategic area or the tactical forces area because once you start getting behind with the support package and you have unaccompanied people overseas where you are meant to have accompanied people; or where you build a base and you have the operational facilities but you do not have the community support facilities and the family housing, then you start to jerry-rig things over the years and you end up with tents and shanties, and trailers. You end up with a real hodge-podge.

So, we in the Air Force always try to very, very clearly make the point that if we are not ready to go into some new place with a full and carefully orchestrated package of both the weapons systems as well as the people that are trained, as well as the facilities to support them, we are not ready to go, period. It is not ready to go.

That is a hard thing to maintain because of the fact that military construction comes through a different set of subcommittees than the main Defense bill.

So, too many times it is easy for the MILCON support effort and the mission effort to become disjointed. We always try to make a very serious effort to keep those two moving in parallel. Over the years, I think, that has done a lot to keep the Air Force installations situation in a status where we have fairly good overall quality in our facilities. We make sure that we do not accept new missions that we cannot support in the MILCON area. We make sure that MILCON gets its part of the pie.

FACILITIES STANDARDS

Senator Mattingly. I realize you have standards for certain facilities, especially in the unaccompanied personnel housing. I know there are a lot of needs for those facilities in Korea.

Has any consideration been given to adjusting the standards based on locations? I assume there is.

Mr. Korb. That is right.

Senator Mattingly. It would seem to me sort of logical that a soldier on a 12-month tour in Korea might not need quite as elaborate a dormitory as somebody on a 3-year tour here in the United States; correct?

Mr. Korb. That is not correct. Obviously, our first priority has to be to take care of the personnel overseas because they do not have the alternatives that they do in the States, in many cases. If we do not have, for example, adequate housing on a base it is easier to find housing in the local community if you are here in the United States.

It is not just a question of living conditions, it is what you might call recreational facilities. A person in the United States who does not have good facilities on the base may be able to join the YMCA. If he does not have a good theater he can go downtown. It is not the same overseas. So, we have to make sure that, to the extent we can, all of the facilities overseas are first rate.

Unfortunately—as Secretary Bonner has mentioned several times here today—because of previous underfunding we have the reverse situation. A lot of it has to do with the concerns about who should pay for our facilities in foreign countries.

FIELD COMMANDER INPUT INTO OVERSEAS FACILITIES

Senator **Mattingly**. Let me ask you this question, when you talk about facilities overseas do the commanders in the field have a lot of input as far as what they feel would be the most important?

Mr. **Korb**. Yes, they do. In our budget process one of the first things that we do both at the beginning of the planning and programing phase is to bring in the CINC's, the commanders-in-chiefs of the unified and specified commands. They come in and I can tell you, normally every one of them say their highest priority is the people. That includes the living and working conditions.

Senator **Mattingly**. To get back to Korea, is that considered a hardship tour?

Mr. **Korb**. Well, in Korea they use "expeditionary" standards which are more austere than, as you mentioned, long-tour areas.

Senator **Mattingly**. What is the volunteer rate for Korea, is it high?

Mr. **Bonner**. A volunteer to serve in Korea?

Senator **Mattingly**. Yes.

Mr. **Bonner**. No, sir, I do not think it is very high. I do not think that in the Army we actually ask them whether they volunteer or not. We give them a set of orders.

Senator **Mattingly**. Well, there are a lot of people who volunteer for Korea, though.

Mr. **Bonner**. Yes, sir, under certain circumstances. I do not believe that we have a high degree of volunteers to go into the combat units. That is where most of our unaccompanied personnel are located.

OVERSEAS VOLUNTEERS

Senator **Mattingly**. Could you get me the rate of volunteers, somebody, sometime for the record?

Mr. **Bonner**. Yes, sir, we can get you the information and provide it for the record.

[The information follows:]

VOLUNTEERS FOR KOREA

The number of volunteers is not a figure that is specifically tracked, however, we can document that about 6,700 soldiers in Korea, or 24 percent of the strength, are volunteers

VOLUNTEER RATE FOR KOREA

Senator MATTINGLY. I would like to see what the rate of volunteers is for Korea. I would think there may be some correlation between the 12-month tour and the 36-month tour.

HIGH QUALITY RECRUIT RETENTION

Mr. BONNER. Yes, sir. If I may comment, Mr. Chairman, on Korea. We want to retain a lot of the soldiers that we are able to recruit today. We have had a very successful period of recruiting the last 2 years. We have in the Army up to 85 percent high school graduates and we are down to about 17 percent in the number of mental group IV's.

You may recall some years ago that our high school graduates were down around 50 percent and our mental group IV's were up over 25 percent.

So, we feel that we are getting a very high quality soldier in the Army today and we want to retain him. We feel very strongly that the living conditions that we give him in Korea or in Germany, or here in the United States, are very important to our ability to retain him.

Mr. KORB. Mr. Chairman, if I may add to that. There is a point very pertinent about the field commanders. They have a great impact on our request but unfortunately sometimes the Congress does not go along with that. I think if you will check the record, you will find out that family housing for Europe—which is General Kroessen's No. 1 priority—has not fared as well as some of the other projects that we put before the Congress.

Senator MATTINGLY. In the area of family housing, the average cost per unit is now about $100,000. Because the size of the units is in most cases moderate and since there is usually no land purchase involved, the figure seems a little bit high.

Could you give me some insight into that?

Mr. KORB. Well, again all I can tell you, Mr. Chairman, is that we have certain standards, we compete them. We get the best bids that we can. We constantly monitor that.

We feel that all things considered, on the surface that might seem high, but you have to count into that average the fact that you are averaging both the United States and overseas. Overseas, the cost of housing, for example in Europe, is very, very expensive.

Senator MATTINGLY. Do you have that broken out, what the difference is, the cost per unit in the United States versus overseas?

Mr. KORB. We can supply that for the record. I would ask any of my colleagues if they would like to comment on any of their individual services.

[The information follows:]

AVERAGE PER UNIT FAMILY HOUSING COST

The average cost per unit of family housing in the fiscal year 1984 request is:

United States (48 contiguous States)	$74,472
Foreign countries	98,681
Alaska	144,568

The Alaska housing units consist of two each at three rather remote sites and 38 at Fort Greely. They will be manufactured on the west coast, shipped to Alaska and erected there. Even so, the small size of the projects and the remoteness of the sites contribute to higher than average costs.

UNITS REPORTED (FOR FISCAL YEAR 1984)

Senator MATTINGLY. Let my ask you another question before you answer that. What is the number of units that are projected to be built in fiscal year 1984?

Mr. KORB. You are talking about family housing?

Senator MATTINGLY. Yes.

Mr. McCOY. For the Air Force, we have 1,075. About three-quarters of that program will be built overseas.

Senator MATTINGLY. What percent overseas?

Mr. McCOY. About three-fourths of our 1,075 family housing units are requested for overseas.

Senator MATTINGLY. And about 250 units stateside, then.

Mr. McCOY. Right. A little over 250.

Admiral ZOBEL. For the Navy, sir, we are constructing 730 units. That includes units for the Marine Corps at Camp Pendleton and El Toro and for the Navy at Subic Bay. Then we are acquiring 339 units—or propose to—in La Maddalena and Sigonella at congressional direction from last year.

Senator MATTINGLY. And new units domestically, what would that be?

Admiral ZOBEL. We have 300 at Subic Bay, so, therefore, we have 430 for the Marine Corps in Camp Pendleton and El Toro. So, that is the extent of it.

Senator MATTINGLY. 430 family housing units.

Admiral ZOBEL. Yes, sir, inside the United States.

Mr. BONNER. We have a total of 759 units in the Army.

We have 200 units at Fort Polk, 244 at Fort Stewart, 44 in Alaska, and the remainder of the 759 units would be in Europe.

Senator MATTINGLY. All right.

Mr. KORB. If I can summarize that, what we are talking about is new construction in 1984, 2,914; of which 1,371 will be in Europe.

Senator MATTINGLY. How many in Europe? I am sorry.

Mr. KORB. That is 1,371.

Senator MATTINGLY. So, it would be about 1,600. This is family housing, then?

Mr. KORB. Yes, sir.

UTILITY FACILITIES

Senator MATTINGLY. In the so-called C-1 construction annex that is provided as part of the budget you make reference to utility facilities and requested $364 million in this category.

What do you consider a utility facility?

Mr. KORB. A facility——

Senator MATTINGLY. I do not know what a utility facility is.

Mr. McCOY. It is a heating plant, things of that sort, that provide power and so forth, power and heat to a base. There are quite a number of these units with new energy-saving and other equipment. The cost for such a facility at a medium-sized base might be in the neighborhood of about $34 and $50 million, at least in the Air Force.

HOSPITAL MEDICAL FACILITIES

Senator MATTINGLY. All right. For your hospital medical facilities the request is about $166 million. I understand that many of the Defense Department medical facilities are rapidly becoming outdated in light of modern technology and medicine.

Can we expect some larger major requests for new or modernized hospitals in the future programing?

Mr. KORB. Yes, you can.

Senator MATTINGLY. I wish you would have said no. [Laughter.]

Mr. KORB. I think Mr. Bonner would like to comment.

Mr. BONNER. Mr. Chairman, this is a difficult problem. I think you are aware that the medical costs continue to go up. It has gotten to the point where medical costs for military beneficiaries under CHAMPUS are more expensive than to do it in the military facilities.

We are now asking—and I think it is a good policy—and the Office of the Secretary of Defense has asked that we do more medical care in military facilities than we have done in the past.

This then, brings into focus the fact that many of our hospitals have been neglected over time and they are getting to the point where there is a question of their certification to handle certain types of medical care. In certain of these facilities they cannot be certified.

We are looking at that very closely in the Army and we find that it is a very expensive proposition. We have recently gone through an upgrade to Tripler Hospital in Hawaii and we found that this was so expensive that in all of the priorities of the Army we had great difficulty in allocating sufficient funds to it. So, we did it in what you might call a phased program. We are still in the process and it is still very expensive.

We have hospitals like Madigan Hospital at Fort Lewis in Washington, and Brook Hospital at San Antonio, who are also in similar condition. It is just a matter of time before we will not be able to certify them.

We have estimated—and this is a very rough estimate and I apologize for the roughness of it—but it may take anywhere from $350 to $500 million to bring a hospital like Madigan or Brook back up to a point where it can be certified and it can give modern medical care.

So, we are on the horns of a dilemma as to how to cope with this situation. One way that we might do it—and I mentioned this to the House Appropriations, Military Construction Subcommittee—is to do it on an incremental basis. That is, if we would be allowed to fund it on an incremental basis on a 3- or 5-year type of a program.

But I simply bring this up because it does touch on the point that our medical costs in the civilian world have gone up, and up, and up. That raises our CHAMPUS cost. At the same time, we do have an ability to do more in-house if we have the capability and the facilities.

Senator **Mattingly**. Thank you.

Admiral **Zobel**. Mr. Chairman, I just might add for the Navy that, as you well know, in the San Diego area we are currently under construction with a new hospital to replace the old Navy Hospital at Balboa. We are doing that adjacent to the old hospital. We did get full authorization of $293 million and we are receiving increments of funding. We started out the first year, I believe, it was with $25 million and the second year another amount. That is working out very well.

Senator **Mattingly**. Where was that located, was that in San Diego?

Admiral **Zobel**. In San Diego; yes, sir.

Senator **Mattingly**. I remember hearings on that in the last 2 years. I will submit one other medical facilities question to the record.

[The following question was not asked at the hearing, but was submitted to the Department for response subsequent to the hearing:]

Defense Medical Corps

Question. Mr. Korb, with the apparent interest in efficiencies and consolidation you have made reference to in your statement, has the Defense Department considered a Defense Medical Corps instead of individual service corps? Could you not perhaps make better use of existing facilities if they provided service DoD-wide instead of by service.

Answer. A contract was awarded in January of this year to study the feasibility and benefits to be gained by creating a Defense Health Agency modeled after existing Defense agencies. The contractor will provide a report by April 22 which should provide the basis for a decision on this issue.

QUALITY OF LIFE

Senator **Mattingly**. When we speak to the quality of life for the personnel, we usually make a lot of reference to improved living and working conditions. This quality-of-life aspect is something that most everybody supports. There were a lot of studies and reports that specifically showed these types of facilities support retention and readiness.

It is unfortunate, though, that there are still some people around who consider chapels, and gyms, and officers clubs as not necessary.

I think some information to this committee in this area would be helpful—if you could submit it for the record—to substantiate those requests. I think it probably needs not only to be done this year but needs to be done on a continuing basis.

So, I would appreciate it if you all would submit that type of information. If you have any comments on it, I would appreciate it.

[The information follows:]

Quality of Life

The U.S. Armed Forces are a microcosm of the people that comprise our country. They possess the same intrinsic values and beliefs and display the same desires as their civilian counterparts. Our community programs of which chapels, gymnasiums and open messes are a part are designed to satisfy the psychological and sociological belonging needs of service members. This is extremely important especially in overseas and remote areas where alternatives are not available in the civilian community.

These activities as well as libraries, child care centers, family support centers are an integral part of our morale, welfare and recreation programs. They are designed to provide stability to service members and their families as well as a "touch of home."

The Services periodically assess the value of these programs as seen by the service member. As an example, the Annual Survey Conducted by the Air Force "The Affect of MWR Programs an Morale" has consistently identified gymnasiums, child care centers, open messes, chapel activities and libraries as the most desired and member satisfying programs. Interviews with military commanders and service members have resulted in comments such as these from a former troop commander "I can personally relate the availability of recreational and community facilities to military readiness. The activities programmed or conducted in these facilities—self-directed and intramural sports, off-duty education, open messes, crafts, theater and so forth—are absolutely essential for morale, unit cohesion, self-improvement, and good discipline. Without these programs, you simply cannot maintain readiness."

Physical fitness programs have been given increased emphasis since my office issued a directive on this subject over a year and a half ago. Not only are we interested in the fitness of our combat troops, we are promoting healthy, active life styles for everyone through exercise, weight control, proper nutrition, hypertension control, stress management, and substance abuse prevention. Sports and athletics are integral parts of physical fitness programs for our service personnel and for family members of all ages. Intramural programs and bowling leagues contribute materially to unit cohesion and esprit de corps. Similar programs are offered for spouses. Sports are a major component of youth activities programming.

We try to instill in our people a feeling of belonging—that they are a part of a self-support system, where service members and their families share a feeling of community. Unit cohesion is not developed overnight or on the spur of battle. Esprit de corps must be nurtured over time by working and, yes, by playing together.

Each of the Military Services provides institutional benefits which foster a sense of community. When shopping at commissaries or military exchanges, one can always meet old friends—very much like the general store back in the old home town. The open messes, or clubs, offer a social environment for relaxing and socializing after a day of training or work, as well as for family nights-out, dancing and entertainment. These kinds of activities are very important to those of us who regard military service as more than a job or a career. For us, it is a way of life.

Chapels, open messes and recreation programs are absolutely essential to us. They are not just fun and games, even though we all need time to relax and laugh and play. Wholesome use of leisure time in recreational activity and religious activities are one of the best deterrents to drug and alcohol abuse, bad discipline, family violence, and physical and emotional stress . . . all of which impact adversely on combat readiness. Moreover, many recreational activities develop vocational skills, improve knowledge, build healthy bodies, and teach team work. I am convinced that dollars spent in these areas are an investment in good soldiers, sailors, airmen, marines, and in good citizens for our country.

ATHLETIC FACILITIES CONSTRUCTION

Mr. KORB. I think it is important again to keep in mind, for example, there were some stories in the press about building of gymnasiums and stuff like that.

Senator MATTINGLY. They heard that on the Hart Building. But, go ahead. [Laughter.]

Mr. KORB. Well, if you take a look, for example, we expect our people to be fit. To fight, you have to be fit. To do that you need to have athletic facilities. Some of those gymnasiums on some of our bases were built in the last century and they are constantly, you know, sort of held together with chewing gum and baling wire.

These things need to be taken care of. We have areas like Fort Irwin where the Army has their new training center which is 50, 60 miles away from the nearest town. These people need to do these things.

So, I know it seems visible and it seems like it is not something we ought to be doing but yet, as you correctly pointed out, these things are important for morale and for readiness.

Right now we have a very, very vigorous program going on to improve the physical fitness of all of our forces. We require people now over 40 to take stress tests and to maintain their physical condition. You cannot do it unless you have the facilities for them.

FUNDING OF RECREATION FACILITIES

Admiral **Zobel**. If I might, I would just like to add one thing, sir. Over the past few years we have had some concern on the part of various Members of the Congress with how these facilities should be funded, whether or not they should come out of profits from recreation activities or from our Navy Exchange or Army-Air Force Exchange profits.

The Congress asked a few years back—one of the committees asked—if the Secretary of Defense would submit for the record an indication of how the Department of Defense believed these facilities should be funded.

The Army, Navy, and the Air Force have all concurred with that which was submitted by the Office of the Secretary of Defense. It is exactly what we would like to see with regard to whether or not they should be funded by appropriated funds or whether they should be paid for out of recreation facility profits, such as those from bowling alleys or from exchanges.

We are all now moving in that direction. We have recently had a meeting with the Air Force leading, and we have all agreed that that is the process that should be used. We would certainly like your support for that kind of funding.

OVERSEAS CONSTRUCTION PRIORITIES

Senator **Mattingly**. Thank you.

What do you consider the most important requirement in overseas construction, No. 1?

Mr. **Korb**. Well, obviously we think that everything we have in the budget is important or it would not be there.

Senator **Mattingly**. I believe that.

Mr. **Korb**. My own personal view is, the most important thing we have to do is fix the living and working conditions, particularly the place where people live. As I have shown you in some of those pictures where they work, to be able to not have people fixing tanks in the mud, would be the most important thing that we have to accomplish.

HOST-NATION SUPPORT

Senator **Mattingly**. Let me ask you this, the demands of the Congress about host-nation support, is that helpful?

Mr. **Korb**. Well, I think it is important that we and our allies work together to equitably share the defense burden. We are working very assiduously in that area.

But what we find paradoxically is, when we make a breakthrough at the suggestion of Congress, then Congress sometimes turns around and does not fund our share of it.

If I can give you a specific example. After long years of somewhat tedious negotiations we concluded a host nation support agreement with Germany—it was signed last April by Ambassador Burns—in which they agreed to furnish a 93,000 reservists for combat service support.

Now, this was a tremendous breakthrough because we then would not have to send those troops to Europe which alleviates some of our lift problems. The agreement that we concluded with the Germans was essentially a 50-50 cost-sharing formula where we would buy the equipment for these people; they would pay the people and in fact after 4 or 5 years, their share would go up even more.

Senator MATTINGLY. I think that proposal failed, I believe, when we went to the continuing resolution.

Mr. KORB. That is correct, and it was not funded.

Senator MATTINGLY. I think there needs to be considerable leg work done on that before that is going to succeed. So, I would encourage, if you are pressing for that, that you get to the hill and begin talking—preferably on the House side.

OVERSEAS BASING RIGHTS

Let me ask you another question. Does the Defense Department play an equal role with the Department of State in determining basing rights overseas?

Mr. KORB. Well, I would say at least an equal role. But obviously there are both, if you will, defense and foreign policy considerations in every situation.

Senator MATTINGLY. I sort of believe that you probably justify your requirements on overseas locations better than some of the projects back here in the United States. However, as you are well aware, there are not Members of Congress from, example, Germany. It is going to continue to take a concerted effort to improve facilities overseas.

Could you possibly give the subcommittee any ideas on how this procedure might be able to be improved?

Mr. KORB. Well, I think the Army has an excellent program where they take Members of Congress over to Germany. It is an excellent program and Secretary Bonner can correct me if I do not get all the details. They leave on a Thursday night and are back on Monday. You get to see the facilities.

I think that if people see where our people have to live and see some of the things we have shown you here in pictures, they will realize that while there are certainly questions about cost sharing and burden sharing it is unfair to make the GI—and I mean by that members of all the services—pay for this.

We cannot allow these young American men and women to live like that if we expect them to continue to make the sacrifices that they have to. I know that Secretary Marsh's program when he takes Members of the Congress over there—normally then they become supportive. We wish that more could do it to see firsthand.

OVERSEAS BASING RIGHTS

Senator MATTINGLY. I would like to go back to the prior question that I had mentioned to you about the relationship that you have on basing rights overseas.

I will not pressure you for an answer here, but I do not want to be in the posture that this committee was in last year on Ras Banas. I think between now and when the final determination is made on this budget that there needs to be some determination made prior to that, otherwise we will once again be in the same dilemma.

So, I would encourage the Department of Defense and the State Department to work closely together so we do not come up with the same answer that we had last year, that it is going to have, I would say, the opportunity to fail.

I would think that if we are going to pursue the Ras Banas thing, that we also need to pursue the State Department version. I think that you may need to make some heavier points over there.

SUBMITTED QUESTIONS

I am going to submit some other questions for the record to you, if you can respond in writing.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MATTINGLY

DOD vs State Department

Question: Does the Defense Department play an equal role with the Department of State in determining basing rights overseas? If not, why not?

Answer: The Departments of State and Defense work very closely in establishing U.S. requirements for base rights overseas. Defense determines its overseas basing requirements in accordance with world-wide mission and treaty commitments. When memorandums of understanding or technical agreements are required with foreign countries, the U.S. position is developed jointly by Defense and State personnel.

Question: In regard to overseas construction, how do the troop strength levels apply to your requirements?

Answer: The military construction program is reactive and changes in troop strength levels could generate new construction requirements.

Military Construction (General Provisions)

Senator Mattingly: Mr. Korb, the President's budget included two new general provisions in the military construction appropriations bill. These involve what appear to be general transfer authority and no-year money policies. Would you please explain to the Subcommittee the purpose of these provisions and why they were requested?

Mr. Korb: Gladly, Mr. Chairman. We consider these two general provisions to be very important to provide flexibility in program execution and to reduce administrative workload in the Department.

First, I will address the general provision concerning transfer authority. As you may recognize, the authority requested in Section 113 of FY 1984 Military Construction Appropriation Bill is similar to the authority provided in Section 732 of the 1983 Defense Appropriation Act. However, I would like to emphasize that the provision of this authority would in no way decrease the Military Construction Subcommittee's control and oversight of funds provided, since under the current reprograming procedures the Department must first seek approval to increase, beyond certain limits, any amount previously approved by the Committee.

Authority to transfer funds between appropriations is desirable to provide the flexibility to react to unforeseen events, or to take advantage of situations that could result in economic advantage to the Government, without requiring a change to existing public law and the time delays to the enactment process associated with such changes. A specific example could be an unusually harsh and severe winter in which we incur abnormal fuel costs in the family housing account. Should "excess" funds be available in another account, a transfer would be desirable.

With regard to the general provision concerning no-year appropriations, I want to point out that our request for no-year availability of funds is not driven by a desire to extend the availability of funds, even though the extension is a corollary effect. Instead, our request is driven by a desire to reduce the redundant paperwork associated with the fund control of 65 separate appropriations covering the multiyear accounts under the committee's purview.

Under the multiyear concept each appropriation has a distinct period of availability and, in accordance with Treasury rulings and Federal budget concepts, must be accounted for separately. Under the multiyear concept the Department now has 65 separate appropriations or accounts, each requiring separate financial administration (apportionment, allocation, accounting, and the like).

Under the no-year concept each new appropriation would be made to one of 13 existing accounts, thereby greatly simplifying administration by only requiring financial stewardship to be exercised over 13 accounts as opposed to 65.

The desirability of establishing a no-year appropriation can best be demonstrated through the use of an analogy. In the analogy our paycheck is analogous to an appropriation. Under the multiyear concept, each paycheck is deposited into a new checking account and our financial administration of resources is greatly complicated by having to administer many checking accounts without a commensurate increase in control and oversight. Under the no-year concept each paycheck is deposited into the same account.

The shortcomings of our analogy apply equally to the appropriation process, i.e., the multiyear availability does not improve control and oversight but does complicate financial administration.

We urge you and the Committee, Mr. Chairman, to support these two new general provisions.

QUESTION: As you are aware, the Congress has expressed its concern over American contracting for overseas construction. Last year, the Appropriations Committees directed the Department to assure more participation for American firms, particularly in the Middle East. Can you give the Subcommittee some ideas on the so-called American Preference Program? What can be done to give jobs to Americans for work on our military installations overseas?

ANSWER: The American Preference Program is a label applied to the Department of Defense policy issued to assure that American firms would be given preference for construction contracting, exclusive of dredging contracts, in the Indian Ocean/Persian Gulf area. The policy was developed to ensure a viable, responsive and dependable construction capability to support the rapid deployment force concept and to improve the operational readiness of our forces in the region. As long as there is adequate competition, the policy assures award of major contracts in that region to United States firms.

The American Preference Policy is appropriate in the Indian Ocean/Persian Gulf region because no strong contractor presence and capability exist in that area and the policy is not prohibited by country-to-country agreements. However, in regions like Western Europe the opposite is true. There, a strong contractor presence and capability do exist, and country-to-country agreements prohibit American preference arrangements. American firms are allowed to bid on US construction projects in these other regions. However, American firms have shown little interest in bidding because it is difficult for them to be competitive in areas where they are not physically located and where many of the jobs - some requiring local construction techniques - tend to produce relatively small profits.

ARCHITECT-ENGINEER CONTRACTS

Senator MATTINGLY. During last year's hearing on military construction bills testimony was received from representatives of architectural and engineering societies who were concerned over the Defense's set-aside policy for small businesses in the area of architect-engineer contracts.

The Armed Services Committee made mention of this in their report on the fiscal year 1983 bill. Could you please tell the subcommittee what the DOD has done to change its policy in this area as directed by the Armed Services Committee?

CORRESPONDENCE

Mr. KORB. Mr. Chairman, we sent a letter to Senator Tower on February 15, which I would be happy to submit for the record.

[The information follows:]

THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

15 FEB 1983

Honorable John Tower
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This report is provided in accordance with Senate Armed Services Committee (SASC) Report 97-440 (Pages 4-5), which requests the Department of Defense (DoD) to conduct a review of its small business set-aside program as it applies to architect and engineering (A&E) services. The SASC heard testimony from representatives from large A&E firms and their representative professional societies and trade associations that the DoD Small business Program is working to their detriment because of the size standard which is established by the Small Business Administration (SBA) and the manner in which DoD is carrying out its small business set-aside program.

The Small Business Act requires all agencies to place a fair share of their total awards for products and services with small business firms. Since the beginning of the DoD Small Business Program in FY 1953 to FY 1982, this rate has ranged from a high of 25.3% to a low of 15.9%. In FY 1982 the rate was 19.7%, down from the 20.4% reached in both FY 1980 and FY 1981. Further, DoD set aside only 9.8% or $10 billion of its total awards of $102 billion made to U.S. business firms in this country during FY 1982.

The large A&E firms believe DoD is setting aside too many A&E requirements for small business. This is a function of what they believe to be an unreasonable size standard for the industry, coupled with Defense Acquisition Regulation (DAR) set-aside provisions. It has also been alleged that mobilization readiness is impacted due to what they feel to be their limited participation in the DoD marketplace. Such set-asides are specifically authorized by Public Law 95-507. In this regard, the only mechanism that a Federal agency has in order to carry out the Congressional mandate of awarding a fair share of its total procurements to small business is through a set-aside program in which procurements for products and services are set aside for exclusive participation by small business firms. However, for a procurement to be set aside, there must be a reasonable expectation that offers will be received from at least two responsible small business firms so that awards can be made at reasonable prices.

Prior to the issuance of Defense Circular 76-19 on July 26, 1979, our procedures did not quantify the required sufficiency of competition to set aside a procurement for small business. The DAR merely required that offers be received from a "sufficient" number of small business firms, leaving the determination of what was considered sufficient to thousands of contracting officers throughout the DoD. In surveillance reviews conducted of our small business program at many contracting activities, we found large numbers of procurements not set aside for small business for which there were as many as 10-20 known small business firms with the capability and capacity to provide the required product or service required. In this regard, it is DoD procurement policy that the test of competition is satisfied, regardless of the product or service being procured, if offers are received from more than one firm. Therefore, this same policy was extended to quantify the sufficiency of competition necessary to setting aside procurements for small business. This policy states that procurements will be set aside for small business if there is a reasonable expectation that offers will be received from two or more responsible small business firms. Even though this policy was adopted DoD-wide in FY 1979, it was established many years ago by the Navy Department.

Enclosure 1 shows the amount of awards made by DoD for various A&E services. Page 2 of this enclosure pertains specifically to A&E services related to construction for work performed in the United States. The large A&E firms and their representative professional societies believe they are being singled out because of an excessively high amount of awards being made to small A&E firms, particularly on a set-aside basis. In this regard, it should be noted tht this is not the case. A comparatively high rate of small business participation also occurs in our procurements of clothing and textiles, food services, furniture, garbage and trash removal. In all of these areas, we have received complaints against the small business program from big business, which they also formally lodged with the General Accounting Office (GAO) and the U.S. courts. In all of these cases, the GAO and the U.S. courts have upheld the DoD position that the determination of what is a fair share of an agency's awards to be awarded to small business applies to the agency's total procurement expenditures, not to a single industry or an individual product or service we purchase. (Underscoring added.)

These decisions are noted in the following:

a. Basic-Witz Furniture Industries, Inc., GAO Case B-145974, May 16, 1962.

b. J. H. Rutter Rex Manufacturing Co. Inc., 55 Comp. Gen. 902 (1976).

c. Allied Maintenance Corporation; GAO Case B-188522, October, 1977.

d. J. H. Rutter Rex Manufacturing Company, Inc., GAO Case B-190905, July 11, 1978.

e. Dynamics Corporation of America/Onan Corporation, GAO Case B-195431, June 23, 1980.

f. U.S. District Court, Eastern District of Louisiana, J. H. Rutter Rex Manufacturing Company, Inc., Civil Action No. 80-2865, February 22, 1982.

The following is quoted in part from this court decision:

> "Rutter Rex alleged in its protest in December, 1977, that DLA's set-aside program was not authorized by law, unfairly denied it the opportunity to compete, and precluded the government from obtaining a fair and reasonable price. The Comptroller General found:
>
> What Congress intended by the phrase "fair proportion", however, is not evident from either the statutory language itself or any legislative

> history....What is clear is that the broadly worded statutory language refers to the totality of Government procurement, i.e., small business is to receive a fair proportion of the Government's total procurements. In other words, the fact that small business concerns may receive a significant portion of Government contracts in a particular industry does not necessarily mean that they are receiving more than a fair proportion of the Government's total contracts. (cites omitted) 16/
>
> See also Fermont Division, Dynamics Corporation of America, Comp. Gen. B-195431, 13 (June 23, 1980). This court can discover no reason to reverse the conclusion of the Comptroller General's decision that "fair proportion" refers to the totality of government procurements.
>
> This court further finds no basis for complying with plaintiff's request that agency small business set-asides be suspended pending definition of "fair proportion". Courts have repeatedly held that broad, undefined statutory terms grant complete discretion to the agency. See, e.g., Perkins v. Bergland, 608 F.2d 803, 805-806 (9th Cir. 1979); Hi-Ridge Lumber Co. v. United States, 443 F.2d 452, 455 (9th Cir. 1971)."

Because of the comprehensive treatment that the court gave to this matter, the court decision has been included as Enclosure 2.

Essentially, what the GAO and the courts have consistently recognized and ruled is that while an agency's small business rate of participation may be high for one commodity of product or service, it may be inordinately low for another. In the case of DoD, in FY 1982, we awarded to small business the following percentages of our dollar awards:

	Total Awards	SB Awards	%
	($ in Millions)		
A&E (Construction)	$ 314	$ 242	77.1
Clothing and Textiles	1,016	877	78.6
Construction	5,323	3,516	66.1

However, this rate of small business performance was drastically offset by the following which are considered negative small business programs.

	Total Awards	SB Awards	%
	($ in Millions)		
Air Frames and Spares	$13,098	$ 185	1.4
Aircraft Engines and Spares	4,487	126	2.8
Missiles and Space Systems	12,712	344	2.7
Ships	9,557	1,073	11.2
Combat Vehicles	2,932	183	6.2
Weapons	2,332	203	8.7
Electronics and Comm Equipment	14,220	1,294	9.1

Considering that the DoD procures 617 classes of supply made up of four million items and approximately 624 different classes of services, it would not be feasible nor practical to establish a different criteria for set-asides for each item or class of supply. Neither should an exception be made for any particular industry, as has been suggested by the large A&E firms because DoD would be subjected to tremendous orchestrated pressures for separate treatment by many big business firms, their representatives, and their trade associations.

The SASC Committee report states that some small A&E firms may be larger than the branch offices of the large A&E firms, but these branch offices, because of their affiliation with the large A&E firms, cannot bid on set-asides. In this regard, it should be noted that the branch office of a big business enjoys many competitive advantages not possessed by the small firm. These advantages are the financial assistance, facilities, and expert personnel resources of the parent organization, which the branch affiliate can call upon for assistance. Small business firms would consider these branch affiliates unfair competition.

The report states that "of the 30,000 architect-engineer firms in existence today, all but about the top 200 firms qualify as 'small business.'" Two factors should be noted in this regard. First, the small business size standards encompass approximately 97% of this nation's business firms. However, by far the greatest number have no paid employees and are considered "Mom and Pop Shops" with no capability or capacity to provide for the procurement needs of Federal agencies, particularly DoD. The second factor is that the size standard issue does not turn on how many firms are included within the small business standard but, conversely, on the distribution of receipts within a particular industry.

The SASC report states that "The Committee does not want to see the top 200 firms excluded from Defense construction design work. In time of mobilization it is these large A&E firms that the Department would have to call upon to support defense mobilization requirements and they should retain some familiarity with Defense requirements and procedures." The amount of awards that DoD makes in peacetime to large business firms as well as small business firms indicates that we will have a sufficient number of both large and small A&E firms with the required capabilities and capacities to satisfy our mobilization requirements. The large A&E firms presently perform the biggest A&E requirements because they are the only ones with the required financial, facility, and personnel resources to perform such tasks.

A review of our FY 1982 A&E awards clearly shows that large A&E firms are participating in our large peacetime requirements and are obtaining a reasonable share of these awards. In FY 1982 in the U.S., DoD made 4,798 awards to small A&E firms valued at $241,455,000 for an average award value of $50,324. In the case of large A&E firms, they received 501 awards valued at $71,730,000 for an average award value of $143,173, which was 284% larger than the average award received by the small firms. Further, it should be noted that the big A&E firms receive many large awards from foreign governments and foreign business firms for civilian projects in those countries. These foreign markets are essentially the sole domain of the large A&E firms.

We have also reviewed the 1977 Census Data (latest available) which shows the following:

a. There were 72,862 A&E firms in the country, 72,455 or 99.5% of which have less than 100 employees. Of the remaining 407, 268 had 100 - 249 employees while 139 had between 250 - 500 employees.

b. These 407 A&E firms received 44% of the $14.7 billion or $6.3 billion of the total national A&E revenues.

c. The 139 firms in the 250 - 500 employee category which represent only one-tenth of one percent of all the A&E firms received 33% of $14.7 billion of total national A&E revenues.

The foregoing further shows that by almost any standard of measurement the big A&E firms are receiving a reasonable share of the A&E marketplace and certainly are not being excluded from DoD work. The 200 large firms mentioned in the SASC report represent only 0.7% of the A&E firms in the nation but received 22.9% of DoD's A&E dollar awards.

When economic conditions are good, many large business firms avoid the DoD marketplace. However, this situation has changed significantly in the last two to three years since economic conditions worsened with big business now going after awards they ignored previously. Now, big business with all of its advantages of size, greater financial resources, larger facilities, and much larger personnel assets is aggressively pursuing what has been historically the small business portion of the nation's marketplace. These worsened economic conditions are having a drastic effect on small business firms which are going bankrupt at an alarmingly high rate. It should be noted that this situation portends a significant adverse effect on the Defense industrial mobilization base.

Since the Small Business Administration began its latest review of possible revision of the small business size standards about three years ago, the DoD has consistently maintained (and testified before the Senate Small Business Committee on May 15, 1981) that overall, any size standard established on the basis of paid employees should remain as presently established. Further, any size standard established on average annual revenues over a three year period should be adjusted upward for inflation since the size standard was first established or last changed, unless there are overriding considerations requiring special attention to be directed to a specific size standard.

The size standard for A&E services was last revised by SBA in 1975 to $7.5 million average annual revenues. This size standard not only includes A&E firms which are involved in construction work but also firms that specialize in engineering services dealing with major weapons systems programs. Our review indicates that a separate small business size standard should be established for engineering service firms and a separate one for A&E firms involved strictly in construction projects.

In the case of the architect and engineering size standard dealing with construction, DoD is agreeable to recognizing the concerns of the big A&E firms, along with the views of the thousands of other A&E firms which might be impacted. Accordingly, recent discussions with the Small Business Administration have indicated their intention to publish for public comment a lowered size standard for the A&E construction industry. We understand that a concerted effort will be made to solicit comments from a broader range of size firms in addition to those which are currently expressing their views. We suggest that such an approach will permit a more comprehensive evaluation of the state of the entire A&E industry for SBA, DoD and Congressional Committees which have a vested interest in this issue.

In summary, we conclude that:

1. DoD's current implementation of small business set-asides for A&E services is statutorily authorized and correctly implemented through DAR.

2. This type of implementation has been supported by the courts and the GAO.

3. Quality performance of our requirements is not jeopardized by our current procedures, nor do we consider our mobilization readiness to be impaired.

4. To establish specific set-aside criteria for the A&E industry would set a precedent that could ultimately lead to attempts by other industry segments to modify set-aside procedures on their industry, all of which would severely compromise the integrity of this nation's small business program.

5. At best, not enough is known about the potential impact of any change in size standard on the entire A&E industry, not just the impact of the current A&E standard on large firms.

6. Therefore, since we believe it is the size standard which is really the issue, we support the SBA's proposal for a more thorough review of that issue.

Sincerely,

Paul Thayer

Paul Thayer

DEPARTMENT OF THE NAVY
MARINE ARCHIT' AND ENGINEERING AWARDS FOR SHIPS
(EXCLUDING NAVAL A&E)
(AMOUNTS IN THOUSANDS)

	TOTAL A & E		LARGE AND SMALL BUSINESS						SET-ASIDES				SMALL DISADVANTAGED							
			LARGE		SMALL		PCT OF SMALL		SET-ASIDES		PCT OF TOTAL		NON-8A		8A		TOTAL SM-DIS		PCT-TOTAL	
	ACTNS	$(000)	ACTNS	$(000)	ACTNS	$(000)	ACTN	AMT	ACTNS	$(000)	ACTN	AMT	ACNS	$(000)	ACNS	$(000)	ACNS	$(000)	ACTN	AMT
ARMY (Excluding Civil Functions)																				
FY 79	286	48,945	145	43,624	141	5,321	49.3	10.9	37	1,323	12.9	2.7	13	207	8	187	21	394	7.3	0.8
FY 80	257	57,546	135	52,344	122	5,202	47.5	9.0	60	2,282	23.3	3.9	10	284	3	168	13	452	5.1	0.8
FY 81	285	134,328	125	125,525	160	8,803	56.1	6.6	65	4,722	22.8	3.5	13	479	11	770	24	1,249	8.4	0.9
FY 82	316	138,444	101	127,599	215	10,845	68.0	7.8	127	5,038	40.2	3.7	23	635	2	278	25	913	7.9	0.7
CIVIL FUNCTIONS																				
FY 79	553	47,941	131	8,177	422	39,764	76.3	82.9	5	310	0.9	0.6	4	156	28	1,185	32	1,341	5.8	2.8
FY 80	491	27,082	140	9,093	351	17,989	71.5	66.4	29	314	5.9	1.2	38	2,097	4	188	42	2,285	8.6	8.4
FY 81	359	20,901	88	6,681	271	14,220	75.5	68.0	73	3,883	20.3	18.6	69	3,937	7	316	76	4,253	21.2	20.3
FY 82	281	10,567	61	3,727	220	6,840	78.3	64.7	100	3,431	35.6	32.5	20	1,213	7	818	27	2,031	9.6	19.2
NAVY																				
FY 79	2,099	535,521	1,051	441,667	1,048	93,854	49.9	17.5	246	15,300	11.7	2.9	16	1,331	26	1,895	42	3,226	2.0	0.6
FY 80	2,148	419,960	865	331,743	1,283	88,217	59.7	21.0	398	17,135	18.5	4.1	33	1,263	37	1,492	70	2,755	3.3	0.7
FY 81	1,692	341,273	795	261,978	897	79,295	53.0	23.2	216	13,744	12.8	4.0	21	1,481	56	2,547	77	4,028	4.6	1.2
FY 82	2,563	522,353	1,439	423,026	1,124	99,327	43.9	19.0	298	21,212	11.6	4.1	16	828	80	3,549	96	4,377	3.7	0.8
AIR FORCE																				
FY 79	169	24,037	110	19,037	59	5,000	34.9	20.8	7	1,720	4.1	7.2	6	243	1	1,512	7	1,755	4.1	7.3
FY 80	168	21,533	102	16,686	66	4,847	39.3	22.5	18	722	10.7	3.4	7	273	5	1,827	12	2,100	7.1	9.8
FY 81	182	34,749	92	19,108	90	15,641	49.5	45.0	31	1,236	17.0	3.6	3	122	10	3,126	13	3,248	7.1	9.3
FY 82	219	23,076	100	16,423	119	6,653	54.3	28.8	78	2,397	35.6	10.4	10	183	9	3,337	19	3,520	8.7	15.3
DLA																				
FY 79	13	486	1	15	12	471	92.3	96.9	6	85	46.2	17.5	-	-	-	-	-	-	-	-
FY 80	11	333	5	192	6	141	54.5	42.3	-	-	-	-	-	-	-	-	-	-	-	-
FY 81	9	226	3	63	6	163	66.7	72.1	-	-	-	-	-	-	-	-	-	-	-	-
FY 82	11	420	9	344	2	76	18.2	18.1	1	23	-	-	-	-	-	-	-	-	-	-
TOTAL DOD																				
FY 79	3,120	656,930	1,438	512,520	1,682	144,410	53.9	22.0	301	18,738	9.6	2.9	63	2,966	39	3,750	102	6,716	3.3	1.0
FY 80	3,075	526,454	1,247	410,058	1,828	116,396	59.4	22.1	505	20,453	16.4	3.9	88	3,917	49	3,675	137	7,592	1.8	1.4
FY 81	2,527	531,477	1,103	413,355	1,424	118,122	56.4	22.2	385	23,585	15.2	4.4	106	6,019	84	6,759	190	12,778	7.5	2.4
FY 82	3,390	694,860	1,710	571,119	1,680	123,740	49.6	17.8	604	32,101	17.8	4.6	69	2,859	98	7,982	167	10,841	4.9	1.6

1/ This table presents all A&E actions (minus R216 marine A&E) that are for other than construction (Item 10C/C2)

DEPARTMENT OF THE NAVY
MARINE ARCHIT' AND ENGINEERING AWARDS FOR SHIPS
(EXCLUDING NAVAL A&E)
(AMOUNTS IN THOUSANDS)

	TOTAL A & E		LARGE AND SMALL BUSINESS						SET-ASIDES				SMALL DISADVA ED							
			LARGE		SMALL		PCT OF SMALL		SET-ASIDES		PCT OF TOTAL		NON-BA		BA		TOTAL SM-DIS		PCT-TOTAL	
	ACTNS	$(000)	ACTNS	$(000)	ACTNS	$(000)	ACTN	AMT	ACTNS	$(000)	ACTN	AMT	ACTNS/$(000)		ACTNS/$(000)		ACTNS/$(000)		ACTN	AMT
ARMY (Excluding Civil Functions)																				
FY 79	1	250	1	250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 80	1	17	-	-	1	17	100.0	100.0	-	-	-	-	1	17	-	-	1	17	100.0	100.0
FY 81	1	23	-	-	1	23	100.0	100.0	-	-	-	-	1	23	-	-	1	23	100.0	100.0
FY 82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CIVIL FUNCTIONS																				
FY 79	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 81	2	77	-	-	2	77	100.0	100.0	-	-	-	-	1	27	-	-	1	27	50.0	35.1
FY 82	1	63	-	-	1	63	100.0	100.0	-	-	-	-	-	-	-	-	-	-	-	-
NAVY																				
FY 79	30	948	3	118	27	830	90.0	87.6	1	23	3.3	2.4	2	74	-	-	2	74	6.7	7.8
FY 80	11	501	-	-	11	501	100.0	100.0	3	117	27.3	23.4	-	-	-	-	-	-	-	-
FY 81	13	548	2	44	11	504	84.6	92.0	5	379	38.5	69.2	-	-	-	-	-	-	-	-
FY 82	8	314	-	-	8	314	100.0	100.0	5	225	62.5	71.7	1	55	-	-	1	55	12.5	17.5
TOTAL DOD																				
FY 79	31	1,198	4	368	27	830	87.1	69.3	1	23	3.2	1.9	2	74	-	-	2	74	6.5	6.2
FY 80	12	518	-	-	12	518	100.0	100.0	3	117	25.0	22.6	1	17	-	-	1	17	8.3	3.3
FY 81	16	648	2	44	14	604	87.5	93.2	5	379	31.3	58.5	2	50	-	-	2	50	12.5	7.7
FY 82	9	377	-	-	9	377	100.0	100.0	5	225	55.5	59.7	1	55	-	-	1	55	11.1	14.6

1/ This table shows only R216 actions for construction (Item 10C = C2)

DEPARTMENT OF THE NAVY
MARINE ARCHIT AND ENGINEERING AWARDS FOR SHIPS
(EXCLUDING NAVAL A&E)
(AMOUNTS IN THOUSANDS)

	TOTAL A & E		LARGE AND SMALL BUSINESS						SET-ASIDES				SMALL DISADVANTAGED							
			LARGE		SMALL		PCT OF SMALL		SET-ASIDES		PCT OF TOTAL		NON-8A		8A		TOTAL SM-DIS		PCT-TOTAL	
	ACTNS	$(000)	ACTNS	$(000)	ACTNS	$(000)	ACTN	AMT	ACTNS	$(000)	ACTN	AMT	ACTNS	$(000)	ACTNS	$(000)	ACTNS	$(000)	ACTN	AMT
NAVY																				
FY 79	487	91,670	215	65,327	259	24,351	53.2	26.6	64	3,635	13.1	4.0	2	124	14	512	16	636	3.3	0.7
FY 80	290	52,236	142	39,516	137	10,423	47.2	20.0	56	3,893	19.3	7.5	2	27	1	-80	2	-53	1.0	0.0
FY 81	273	73,856	139	60,786	121	11,865	44.3	16.1	35	4,288	12.8	5.8	1	130	-	-	1	130	0.4	0.2
FY 82	279	183,180	192	169,929	77	8,937	27.6	4.9	44	3,761	15.8	2.1	2	445	-	-	2	445	0.7	0.2

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

J. H. RUTTER REX
MANUFACTURING CO., INC.

CIVIL ACTION

Versus

NO. 80-2865

UNITED STATES OF AMERICA;
HAROLD BROWN, SECRETARY OF DEFENSE;
LT. GENERAL GERALD J. POST,
DIRECTOR, DEFENSE LOGISTICS AGENCY;
GENERAL EMMETT BOWERS, COMMANDER,
DEFENSE PERSONNEL SUPPORT CENTER; AND
FRANK L. COCCIA, DIRECTOR, CLOTHING
AND TEXTILES DIRECTORATE, DEFENSE
PERSONNEL SUPPORT CENTER

SECTION "E"

JUDGMENT

The Court having on February 19, 1982, granted the motion by defendants for summary judgment, having granted the motion by defendant-intervenor for summary judgment; and having denied the motion by plaintiff for summary judgment;

IT IS ORDERED, ADJUDGED AND DECREED that there be judgment in favor of defendants, United States of America; Harold Brown, Secretary of Defense; Lt. General Gerald J. Post, Director, Defense Logistics Agency; General Emmett Bowers, Commander, Defense Personnel Support Center; and Frank L. Coccia, Director, Clothing and Textiles Directorate, Defense Personnel Support Center; and that there be judgment in favor of defendant-intervenor DeRossi & Son Company and that there be judgment against plaintiff, J. H. Rutter Rex Manufacturing Co., Inc., dismissing said plaintiff's suit with costs.

New Orleans, Louisiana, this 24 day of February, 1982.

Fred J. Cassibry

UNITED STATES DISTRICT JUDGE

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF LOUISIANA

J. H. RUTTER REX MANUFACTURING CO., INC.

VERSUS

UNITED STATES OF AMERICA
HAROLD BROWN, SECRETARY OF DEFENSE
LT. GENERAL GERALD J. POST, DIRECTOR, DEFENSE LOGISTICS AGENCY
GENERAL EMMETT BOWERS, COMMANDER, DEFENSE PERSONNEL SUPPORT CENTER
FRANK L. COCCIA, DIRECTOR, CLOTHING AND TEXTILES DIRECTORATE, DEFENSE PERSONNEL SUPPORT CENTER,

DEFENDANTS

DEROSSI & SON COMPANY,

INTERVENOR

CIVIL ACTION

NO. 80-2865

SECTION "E" (3)

* *

Daniel Lund, Esq.
Attorney for Plaintiff

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Sandra M. Schraibman, Atty., Dept. of Justice
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CASSIBRY, District Judge:

MOTIONS FOR SUMMARY JUDGMENT

This action is before the court on cross-motions of the parties for summary judgment.[1/] At issue is the legality of the Department of Defense ("DOD") regulations governing the set-aside of certain military procurement contracts for small business concerns, codified at 32 C.F.R. Part 7. Plaintiff, a manufacturer of military clothing, ineligible for the program because of its size,[2/] asks the court to declare the program invalid and enjoin its further implementation by the Department of Defense. Plaintiff claims that the program results in the award of more than a "fair proportion" of government contracts to small businesses in the clothing industry, in violation of the due process clause of the Fifth Amendment to the U.S. Constitution, the Administrative Procedures Act, 5 U.S.C. §§ 552(a)(1)(E) (1976) and the "fair proportion" language of the Armed Forces Procurement Act, 10 U.S.C. § 2301 (1976), and the Small Business Act, 15 U.S.C. § 631 (1976).

Defendants, the Secretary of Defense, the Director of the Defense Logistics Agency ("DLA"), the Commander of the Defense Personnel Support Center ("DPSC") and the Director of the Clothing and Textiles Directorate of the DPSC, are responsible for clothing procurement for the military services and for uniformed civilian personnel of the Department of Defense ("DOD"). Defendant-intervenor is a qualified small business clothing manufacturer with a direct interest in the continuation of the set-aside program.

Upon careful consideration of the voluminous pleadings and exhibits filed in this action, as well as the argument of counsel, and there being no material fact in issue, the court grants the defendants' and defendant-intervenor's motions for summary judgment.

I. BACKGROUND

In 1947, Congress passed the Armed Forces Procurement Act, declaring that: "It is the policy of Congress that a fair proportion of the purchases and contracts under this chapter be placed with small business concerns." 10 U.S.C. § 2301 (1976). That language was extended to a "fair proportion" of total government contracts with the Federal Property and Administrative Services Act of 1949, 41 U.S.C. § 252(b) (1976) and the Small Business Acts of 1953 and 1958, 15 U.S.C. § 644 (1976). The Small Business Act requires that government agencies award procurement contracts to small business concerns when the award is determined

> (1) to be in the interest of maintaining or mobilizing the Nation's full productive capacity, (2) to be in the interest of war or national defense programs, (3) to be in the interest of assuring that a fair proportion of the total purchases and contracts for property and services for the Government are placed with small-business concerns, or (4) to be in the interest of assuring that a fair proportion of the total sales of Government property be made to small-business concerns ... [2]

The Department of Defense adopted small business regulations in 1957 to implement the Armed Forces Procurement Act. Part 7 of the Armed Forces Procurement Regulations[4] echoed the "fair proportion" language of the statute:

> 1-702 (a) It is the policy of the Department of Defense to place a fair proportion of its total purchases and contracts for supplies, research and development, and services ... with small business concerns.

To implement this long-standing policy, the regulations provide that the entire amount of a contract shall be set aside for exclusive small business participation if the contracting officer finds certain conditions present. This "set-aside" program operates to aid small business whenever there is a reasonable expectation that at least two responsible small businesses will make offers, and that awards of contracts will be made at reasonable prices. Once a contract has been awarded in the set-aside program, all future requirements by the purchasing office for that particular product or service are subject to a "repetitive set-aside", as long as the same reasonable expectations are present.[5] The fact that a large percentage of previous acquisitions of the item has been placed with small businesses, or that small businesses are considered to be already receiving a fair proportion of total contracts, is irrelevant to the decision to set aside a particular contract.[6]

Plaintiff urges that the program outlined by the above regulations, by requiring repetitive set-asides and by providing that bids from only two small businesses will validate the set-aside of a contract, does not satisfy the statutory mandate for "free and full" competition embodied in the Armed Forces Procurement Act[7] and the Small Business Act.[8]

II. STANDING

Before analyzing plaintiff's claims for declaratory and injunctive relief, defendants' argument that plaintiff lacks standing must be addressed. Defendants' earlier motion to dismiss for lack of standing was denied by minute entry on March 13, 1981. The government defendants and defendant-intervenor urge the court to reconsider its prior ruling in the motions now before the court. Although as a general rule courts should not reconsider issues which have already been decided in an action, Messenger v. Anderson, 225 U.S. 436, 32 S.Ct. 739, 56 L.Ed. 115 (1912), prior rulings have no res judicata effect and may be reconsider in light of newly announced legal doctrine. Industrial Workers of the World v. Clark, 385 F.2d 687 (D.C.Cir. 1967), cert. denied, 390 U.S. 948, 88 S.Ct. 1036, 19 L.Ed.2d 1138 (1968). See also United States v. Horton, 622 F.2d 144, 148 (5th Cir. 1980); Wm. G. Roe & Company v. Armour & Company, 414 F.2d 862 (5th Cir. 1969). On March 25, 1981, the District of Columbia Court of Appeals issued a thoughtful analysis of the problem of standing in the government procurement arena, Control Data Corporation v. Baldridge, 655 F.2d 283, which this court finds instructive. After careful reexamination of the problem of standing under the facts presented by this case, I find again that plaintiff has standing to invoke judicial review of the DOD regulations at issue here.

Under Fifth Circuit jurisprudence, there is a three-part test for standing to contest the validity of agency actions: 1) the challenged action must result in injury in fact to the plaintiff; 2) the interest invaded must be arguably within the zone of interest to be protected by the statute or constitutional guarantee in question; and 3) there must be no statutory prohibition of judicial review. Suntex Dairy v. Bergland, 591 F.2d 1063, 1066 (5th Cir. 1979); Baker v. Bell, 630 F.2d 1046, 1050 (5th Cir. 1980).

A. Injury in Fact

Plaintiff's stake in the outcome of this controversy is sufficiently direct and concrete to satisfy the constitutionally-compelled injury in fact requirement for standing. See Flast v. Cohen, 392 U.S. 83, 95, 88 S.Ct. 1942, 20 L.Ed.2d 947 (1968); Duke Power Co. v. Carolina Environmental Study Group, Inc., 438 U.S. 59, 73; 98 S.Ct. 2620, 57 L.Ed.2d 595 (1978). Plaintiff alleges that the percentage of DPSC contracts set aside for small business has effectively precluded it from participating in bidding for the type of government procurement contracts for which it successfully bid over the past twenty years or more. Plaintiff claims injury from plant closings and employee lay-offs which allegedly result directly from the implementation of DOD small business regulations and goal practices. Causation of plaintiff's injuries, while not clear-cut, is not "merely speculative". *See* Warth v. Seldin, 422 U.S. 490, 507, 95 S.Ct. 2197, 45 L.Ed.2d 343 (1975). Courts have held that an allegation of economic harm to a competition interest was sufficient to satisfy the injury in fact requirement of standing. Marshall and Ilsey Corporation v. Heimann, 652 F.2d 685, 692-93 (7th Cir. 1981). I have no serious doubt that plaintiff's loss of government business was caused at least by the government's small business program.

In addition, plaintiff meets the constitutional requirement for standing because its claimed injury is "likely to be redressed by a favorable decision." Gladstone Realtors v. Village of Bellwood, 441 U.S. 91, 100; 99 S.Ct. 1601; 60 L.Ed.2d 66 (1979), citing Simon v. Eastern Kentucky Welfare Rights Organization, 426 U.S. 26, 45; 96 S.Ct. 1917 48 L.Ed.2d 450 (1976); Village of Arlington Heights v. Metropolitan Housing Development, 429 U.S. 252, 262; 97 S.Ct. 555, 50 L.Ed.2d 450 (1977). Plaintiff satisfies this court that the competitive harm alleged would be remedied by the requested relief. If this court were to issue declaratory or injunctive relief against the operation of the small business set-aside program where it operated to effectively exclude plaintiff from bidding on any contract, plaintiff's share of DOD contract awards would most likely rise.

Injury in fact has been found in cases involving both "disappointed bidders", who actually bid on a given contract, *see, e.g.*, Kinnett Dairies, Inc. v. Farrow, 580 F.2d 1260 (1978); Hayes International Corp. v. McLucas, 509 F.2d 247 (5th Cir.), *cert. denied*, 423 U.S. 864, 96 S.Ct. 123, 46 L.Ed.2d 92 (1975), and "frustrated bidders" who are precluded from continuing their relationship as a government supplier by a change in regulations, *see, e.g.*, Ballerina Pen Co. v. Kunzig, 433 F.2d 1204 (D.C. Cir. 1970), *cert. dismissed*, 401 U.S. 950, 91 S.Ct. 1186, 28 L.Ed.2d 234 (1971); Ray Baillie Trash Hauling, Inc. v. Kleppe, 477 F.2d 696 (5th Cir. 1973); *cert. denied*, 415 U.S. 914, 94 S.Ct. 1410, 39 L.Ed.2d 468 (1974); Control Data Corporation v.

Baldridge, 655 F.2d 283 (D.C. Cir. 1981). Thus although plaintiff has not pointed to any specific contract on which it was wrongfully denied the opportunity to bid, plaintiff has suffered an interruption of a long-standing relationship with the government as a successful bidder on government contracts. I therefore find that plaintiff has satisfied the first part of the standing test.

B. Zone of Interest

Injury in fact alone is not sufficient to merit standing, however. Plaintiff must also demonstrate that its interests fall "arguably within the zone of interests to be protected or regulated" by the statutes or constitutional guarantees relied upon. Sierra Club v. Morton, 405 U.S. 727, 733, 92 S.Ct. 1361, 31 L.Ed.2d 636 (1972), cited in American Federation of Government Employees, AFL-CIO v. Stetson, 640 F.2d 642, 646 (5th Cir. 1981); Association of Data Processing Service Organizations v. Camp, 397 U.S. 150, 153, 90 S.Ct. 827, 25 L.Ed.2d 184 (1970). Although this limitation of the standing doctrine beyond injury in fact has been termed "prudential" rather than constitutional, the duty to apply this limitation in the instant case is nondiscretionary. *Contra*, Peoples Gas, Light & Coke Co. v. U.S. Postal Service, 658 F.2d 1182, 1202 (7th Cir. 1981) (Campbell, J., dissenting). The Fifth Circuit has consistently applied this standard to complaints arising from agency action taken pursuant to a particular statutory mandate where there exists no specific congressional authorization of review, as is the case here.

Plaintiff seeks to avoid the application of the zone of interest test by urging that it deserves standing in order to prosecute the public interest in agencies not exceeding their statutory mandates. In Scanwell Laboratories, Inc. v. Shaffer, 424 F.2d 859 (D.C. Cir. 1970), the court held that a disappointed bidder in a government procurement contract has standing under the Administrative Procedure Act, 5 U.S.C. § 701, *et seq.* ("APA"), thereby dispensing with the old "legal interest" test of Perkins v. Lukens Steel Co., 310 U.S. 113, 60 S.Ct. 869, 84 L.Ed. 1108 (1940), which had deprived unsuccessful bidders standing to challenge the legality of bidding procedures. The *Scanwell* court determined that allowing disappointed bidders to bring suit would permit them to "vindicate their very real interests" and further as well "the public interest in having agencies follow the regulations which control government contracting." *Id.* at 864, quoted in Control Data Corp., 655 F.2d at 292.

Plaintiff here alleges not the failure of DOD to follow its own procurement regulations in awarding a contract, but rather the illegality of the regulations. After a careful and detailed discussion of the problem of standing in the bidder context, the D.C. Circuit Court declined to extend the *Scanwell* rationale "beyond its 'disappointed bidder' context." Control Data Corporation, 655 F.2d at 292. According due respect to the expertise of the D.C. Circuit in these matters, *see* Union Carbide Corporation v. Train, 73 F.R.D. 620, 622 (S.D.N.Y. 1977), I find that plaintiff here, not having bid on a specific contract, cannot achieve standing under the *Scanwell* rationale.[9/]

The zone of interest test focuses upon the proper relationship between the legislative and judicial branches of government, serving the purpose of "allowing courts to define those instances where it believes the exercise of its power at the instigation of a particular party is not congruent with the mandate of a legislative branch in a particular subject area." Control Data, 655 F.2d at 297 (D.C.Cir. 1981), quoting Tax Analysts and Advocates v. Blumenthal, 566 F.2d 130, 140, (D.C.Cir.), *cert. denied*, 434 U.S. 1086, 98 S.Ct. 1280, 55 L.Ed.2d 791 (1976). To apply the zone of interest test, this court must examine the language of the relevant statutes, regulations, and legislative history to discern whether Rutter Rex's interest arguably falls within the zone Congress intended to be protected or regulated. Control Data, 655 F.2d at 293. "Slight" beneficial indicia will be sufficient to sustain a party's assertion of standing. Constructores Civiles de Centroamerica, S.A. v. Hannah, 459 F.2d 1183, 1189 (D.C.Cir. 1972); Control Data, 655 F.2d at 295.

While small business bidders clearly fall within the zone of protected interests of the Small Business Act and the Armed Forces Procurement Act, Ray Baillie, 477 F.2d at 701; Kinnett Dairies, 580 F.2d at 1265-66, the status of a large bidder under these statutes is not settled.[10] Plaintiff argues that its near-preclusion from bidding on government contracts contravenes the express interest of the Small Business Act in promoting competition in the American economic system. Plaintiff's interest in its own economic well-being might be said to be arguably within the zone sought to be protected by the Small Business Act if the Act is read broadly to promote small business not only for the benefit of small business, but also for the well-being of the nation.[11] Recognizing that analysis of the question of standing requires the court to look at the party's status and not at the merits of the case, and noting the availablility of the summary judgment proceeding under Rule 56 of the Federal Rules of Civil Procedure to weed out frivolous lawsuits, I read the language of the Small Business Act, 15 U.S.C. § 631(a), to encompass plaintiff's interest in economic viability within the parameters of the zone of interests to be protected by the Act. Rutter Rex thus meets the second prong of the standing test.

C. No Statutory Prohibition

The third part of the test is also met. None of the relevant statutes expressly prohibitsjudicial review of agency action, and the court "cannot infer a congressional intent to preclude judicial review of agency actions which are alleged to have subverted a clearly stated declaration of policy." Cincinnati Electronics Corporation v. Kleppe, 509 F.2d 1080, 1086 (6th Cir. 1975). Plaintiff alleges that DOD actions and regulations undermine the arguably clear policy of the Small Business Act and the Armed Forces Procurement Act to enhance competition, and so gains standing to contest their validity.

III. DISCUSSION

A. Constitutional Claim

Because of plaintiff's long-standing relationship with the government as a supplier of military garments, plaintiff claims that the small business program, by greatly reducing the number of contracts on which it is able to bid, operates to deprive it of a property interest without due process of law in violation of the due process clause of the Fifth Amendment. However, it has long been recognized that the government, like private individuals and businesses, has the power "to determine those with whom it will deal, and to fix the terms and conditions upon which it will make needed purchases." *Perkins*, 310 U.S. at 127. In exercising this power, of course, the government remains subject to the constitutional requirement of due process. I cannot accept the plaintiff's argument that the Department of Defense Small Business Program is unconstitutional because the plaintiff is disadvantaged competitively. "There is no constitutional duty to offer government procurement contracts for competitive bidding." Ray *Baillie*, 477 F.2d at 709; Crown Zellerbac Corp. v. Marshall, 441 F.Supp. 1110 (E.D.La. 1977) (denying preliminary injunction requiring government to contract with firms not meeting standard for affirmative action plan). The DOD has chosen to encourage small business participation in procurement contracts through the award of a "fair proportion" of contracts, drawing up industry classifications as it sees fit. No breach of its own procedures has been alleged. "In the area of socio-economic legislation, the government's action must be upheld if it is rationally related to a proper government purpose." Ray *Baillie*, 477 F.2d at 709, citing Dandridge v. Williams, 397 U.S. 471, 90 S.Ct. 1153, 25 L.Ed.2d 491 (1970). Certainly the small business program passes constitutional muster. Plaintiff's claims of due process violation are without merit.

D. Statutory Claim

Plaintiff additionally requests declaratory and injunctive relief under the Administrative Procedure Act, 5 U.S.C. §§ 702-706, on the grounds that the DOD small business set-aside regulations contained in Part 7 of 32 C.F.R. are arbitrary and capricious and in excess of statutory authority. Although the challenge to the validity of the regulations may be decided solely by reference to the regulations and their statutory authority, the wellspring of plaintiff's dissatisfaction with the small business program is best appreciated by examining the undisputed facts.

The clothing manufacturing industry involves considerable participation by small business concerns, while many other industries from which the government must procure its equipment and supplies do not. As a result of the differences among industries, varying proportions of contracts are set aside for small business in each industry. DOD small business set-asides in 1980 were 7.2% of total awards, but in the contract categories for which plaintiff would have liked to have bid, over 90% of the contracts were set aside for plaintiff's smaller competitors. Plaintiff claims to have been effectively excluded from the bidding process. The regulations exceed statutory authority, plaintiff claims, because they fail to place a ceiling on set-asides at some point below 100%, reserving to large business the opportunity to compete for contracts in every industry, as mandated by the "full and free competition" provisions of the relevant statutes, the Small Business Act and the Armed Forces Procurement Act.

The Fifth Circuit rejected a similar challenge to a program to award federal subcontracts to socially or economically disadvantaged small businesses in Ray Baillie. The court's reluctance to encroach upon agency discretion is instructive:

> The complex and volatile nature of problems, including allocation of government procurement contracts, often causes Congress to cast its statutory provisions in general terms, leaving to the agency the task of spelling out the specific regulations and programs. In this manner, agency expertise may be fully employed in dealing with such problems. The agency may evaluate the computing alternatives and formulate the policy best suited to the attainment of the statutory goal. Furthermore, the agency is left free to respond to the demands of changing circumstances or conditions unanticipated by Congress. Indeed, an agency could easily be prevented from serving its intended purpose if burdened with specific statutory regulations and programs.
>
> So it is with the case at bar. Congress has declared that the actual and potential capacity of small business concerns must be developed and that a fair proportion of total purchases and

> contracts of the federal government must be placed with such firms. 15 U.S.C. §631. It has given the SBA the statutory authority and necessary discretion in awarding subcontracts to accomplish that goal. The discretion as to which firms shall receive subcontracts and the decision as to what regulations shall govern procurement is left to the SBA. 15 U.S.C. §637. It is not the duty of the courts to evaluate the arguments regarding allocation of government procurement contracts or to consider the wisdom of the present programs. [12]

More recently, in *Kinnett Dairies*, the court addressed the DOD small business set-aside program:

> The government's interpretation of the procurement regulation is fully consistent with the statutory requirements of the Small Business Act and the Armed Forces Procurement Act. These controlling statutes simply require that a "fair proportion" of government purchases and contracts be placed with small businesses. Congress left it to the agencies to implement the policy through regulations and practices of their own construction. [13]

Furthermore, congressional review of the issues plaintiff raises in this action, together with congressional failure to modify longstanding agency practice, mandate that the administrative construction of the statutes be followed by this court "unless there are compelling indications that it is wrong." Florida v. Mathews, 526 F.2d 319, 324 (5th Cir. 1976). *See also* Red Lion Broadcasting Co. v. FCC, 395 U.S. 367, 381, 89 S.Ct. 1794, 23 L.Ed.2d 371 (1969). Since the enactment of the "fair proportion" language in the Small Business Act and the Armed Forces Procurement Act, Congress has frequently reviewed defendants' implementation of the small business set-aside program. [14]

The court's task in searching for "compelling indications" that DOD interpretation of "fair proportion" is wrong is eased by the existence of a decision by the General Accounting Office on a protest by this plaintiff to a DLA small business set-aside. The Fifth Circuit explained in *Kinnett Dairies*:

> When actions of procurement officials have been expressly validated by considered decision of the GAO or are in compliance with a reasonably consistent pattern of GAO determinations, the courts should be extremely reluctant to overturn such actions. [15]

See also Wheelabrator Corp. v. Chafee, 455 F.2d 1306 (D.C.Cir. 1971); M. Steinthal & Co. v. Seamans, 455 F.2d 1289, 1305 (D.C.Cir. 1971).

Butter Rex alleged in its protest in December, 1977, that DLA's set-aside program was not authorized by law, unfairly denied it the opportunity to compete, and precluded the government from obtaining a fair and reasonable price. The Comptroller General found:

> What Congress intended by the phrase "fair proportion," however, is not evident from either the statutory language itself or any legislative history... What is clear is that the broadly worded statutory language refers to the totality of Government procurement, i.e., small business is to receive a fair proportion of the Government's total procurements. In other words, the fact that small business concerns may receive a significant portion of Government contracts in a particular industry does not necessarily mean that they are receiving more than a fair proportion of the Government's total contracts. [cites omitted] [16]

See also Fermont Division, Dynamics Corporation of America, Comp. Gen. B-195431, 13 (June 23, 1980). This court can discover no reason to reverse the conclusion of the Comptroller General's decision that "fair proportion" refers to the totality of government procurements.

This court further finds no basis for complying with plaintiff's request that agency small business set-asides be suspended pending definition of "fair proportion". Courts have repeatedly held that broad, undefined statutory terms grant complete discretion to the agency. See, e.g., Perkins v. Bergland, 608 F.2d 803, 805-[illegible] (9th Cir. 1979); Hi-Ridge Lumber Co. v. United States, 443 F.2d 452, 455 (9th Cir. 1971).

C. Goal Practices

Plaintiff challenges not only the regulations discussed above, but also the internal DOD practice of setting goals for the department's set-asides and for total small business awards. Congress amended the Small Business Act in 1978 to encourage even greater efforts to increase small business participation:

> (g) The head of each Federal agency shall, after consultation with the [Small Business] Administration, establish goals for the participation by small business concerns ... in procurement contracts of such agency having values of $10,000 or more. Goals established under this subsection shall be jointly established by the Administration and the head of each Federal agency and shall realistically reflect the potential of small business concerns ... to perform such contracts ....

15 U.S.C. § 644(g).[17]

The goal for small business participation required by the Small Business Act applies to all awards to small business from set-asides, unrestricted bidding, or any other award procedure. The Department of Defense also sets a goal for small business set-asides alone. To implement the goals, the DOD sets a goal for the Defense Logistics Agency ("DLA"), and DLA, in turn, sets goals for each of the six supply centers under its jurisdiction, including the DSPC. Until fiscal year 1981, DLA also assigned goals to each of DPSC's three directorates, "Clothing and Textiles", "Subsistance", and "Medical and Material", but now simply sets goals for the entire Center.

In past years, higher goals were set for the Clothing and Textile directorate of DPSC than for other directorates because the clothing manufacturing industry is one which involves considerable participation by small business concerns. Even within the Clothing and Textile directorate, few manufacturers for products in "textile" categories qualify for the set-aside program. As a result, to meet even a modest goal for set-asides in the Clothing and Textile directorate, or in DPSC, a high percentage of set-asides are made in the clothing industry, and specifically in the three contract categories in which plaintiff is prepared to bid.[18/]

The goals, claims plaintiff, are established on an annual basis in a completely arbitrary fashion, but nevertheless serve as minimum quotas. Without a firm definition of "fair proportion", the goal setting activity is arbitrary and capricious, it is argued.

Plaintiff's challenge to the goals practices of DOD and DLA which govern small business set-asides must fail. The goals do not determine which contracts will be set aside; the goals set are sometimes not attained. Their function is rather to gauge the effectiveness of the small business program. As internal management tools, they do not constitute final agency action reviewable under the Administrative Procedure Act, 5 U.S.C. § 704.

IV. CONCLUSION

Although plaintiff has standing to invoke judicial review of the DOD interpretation of the Small Business Act and the Armed Forces Procurement Act, I find as a matter of law that the challenged regulations are consistent with DOD's statutory mandate. I further find that the challenged goal practices carried out by defendants are not final agency action amenable to review by this court.

Accordingly, summary judgment in favor of defendants and defendant-intervenor is granted and plaintiff's motion for summary judgment is denied.

Fred J Cassibry

UNITED STATES DISTRICT JUDGE

New Orleans, La.

February 17th, 1982.

1/ Defendant-intervenor's motion to dismiss will be treated as a motion for summary judgment as well, since matters outside the pleadings have been taken into consideration in deciding the motion.

2/ In its plants in New Orleans and Franklinton, Louisiana, and Columbia, Mississippi, plaintiff employed roughly 1500 people during periods of full production. A small business concern as here pertinent is defined by Small Business Administration regulations as one which employs fewer than 500 persons. 13 C.F.R. § 121.3-8 and § 121-Schedule A.

3/ 15 U.S.C. § 644(a)(1976).

4/ These regulations have been incorporated with only slight modification into the Defense Acquisition Regulations, 32 C.F.R. Part 7, which now govern military procurement.

5/ 32 C.F.R. § 1-706.5 provides:

> (a) The entire amount of a contract shall be set aside for exclusive small business participation...if the contracting officer determines that there is a reasonable expectation that (i) offers will be obtained from at least two responsible small business concerns offering the products of different small business concerns and (ii) awards will be made at reasonable prices....Total set asides shall not be made unless such a reasonable expectation exists. Although past acquisition history of the item or similar items is always important, it is not the only factor which should be considered in determining whether a reasonable expectation exists.

32 C.F.R. § 1-706.1(f) provides:

> Once a product or service has been acquired successfully by a contracting office on the basis of a small business set-aside, all future requirements of that office for that particular product or service not subject to simplified small purchase procedures shall be acquired on the basis of a repetitive set-aside. This procedure will be followed unless the contracting officer determines that there is not a reasonable expectation that (i) offers will be obtained from at least two responsible small business concerns offering the products of different small business concerns and (ii) awards will be made at reasonable prices.

Section 1-706.1(f) was added effective July 27, 1979. In addition, section 1-706.5(a)(i) was changed in 1979 from "... offers will be obtained from a sufficient number of responsible..." to read, "... offers will be obtained from at least two responsible...". Plaintiff attributes its loss of business with the government to these changes. Defendants maintain that the changes were not consequential.

6/ 1-706l(j) provides:

> None of the following is, in itself, sufficient cause for not making a set-aside:
>
> (i) a large percentage of previous acquisitions of the item has been placed with small business concerns;
>
> ****
>
> (vi) small business concerns are considered to be receiving a fair proportion of total contracts for supplies or services;...

7/ 10 U.S.C. § 2305(a) provides:

> Whenever formal advertising is required under section 2304 of this title, the advertisement shall be made a sufficient time before the purchase or contract. The specifications and invitations for bids shall permit such free and full competition as is consistent with the procurement of the property and services needed by the agency concerned....

8/ 15 U.S.C. § 631(a) provides:

> The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the Government... be placed with small-business enterprises, to insure that a fair proportion of the total sales of Government propearty be made to such enterprises, and to maintain and strengthen the over-all economy of the Nation.

9/ "Disappointed bidder" cases following *Scanwell* include Hayes International Corporation v. McLucas, 509 F.2d 247 (5th Cir. 1975); Kinnett Dairies, Inc. v. Farrow, 580 F.2d 1260 (5th Cir. 1978); Union Carbide v. Train, 73 F.R.D. 620 (S.D.N.Y. 1977); Merriam v. Kunzig, 476 F.2d 1233 (3d Cir.), *cert. denied*, 414 U.S. 911, 94 S.Ct. 233, 38 L.Ed.2d 149 (1973) ("the statute protects not only the Government's interest in securing advantageous contracts, but also the interest of those responding to the Government's invitation to do business with it." *Id.* at 1242); Goldhaber v. Foley, 519 F.Supp. 466, 480 (E.D.Pa. 1981); Collins & Co. v. Clayton, 476 F.Supp. 407 (N.D.Ga. 1979).

See also J.H. Rutter Rex Manufacturing Co., Inc. v. U.S.A., et al., Civil Action No. 77-3018 (E.D.La. March 6, 1978).

Cf. PRI Price Supports v. Tennessee Valley Authority, 494 F.Supp. 974 (N.D.Miss. 1980) (APA not sufficient basis for standing where plaintiff's bid was non-responsive.)

10/ The court does not hereby rule on plaintiff's claim that it should be considered as a "frustrated" bidder, completely precluded from bidding for any contracts, since plaintiff's lack of opportunity to bid is contested by the defendants. It is significant, however, that the frustrated bidder in Ballerina Pen Co. v. Kunzig, 433 F.2d 1204 (D.C.Cir. 1970), was found to be an intended beneficiary of the statute in question.

11/ "The purposes of the Act would not be achieved, however, if the aid to small business consisted of a structure which undermined the vitality of other businesses within the industry. Inherent in such action are the seeds of destruction of the same free system the Act is intended to protect." Duke City Lumber Co. v. Butz, 382 F.Supp. 362 (D.D.C. 1974), *aff'd in relevant part*, 539 F.2d 220 (D.C.Cir. 1976), *cert. denied*, 429 U.S. 1039, 97 S.Ct. 737, 50 L.Ed.2d 751 (1977).

12/ 477 F.2d 696, 703-4 (5th Cir. 1973).

13/ 580 F.2d 1260, 1272 (5th Cir. 1978).

14/ *See*, *e.g.*, Congressional Hearings:

> Small Business Procurement Expansion and Simplification Act: Hearings Before the Subcomm. on Government Procurement of the Senate Select Comm. on Small Business, 95th Cong., 2d Sess. (1978); DOD Procurement Policies and Practices: Hearing Before the Subcomm. on Minority Enterprise and General Oversight of the House Comm. on Small Business, 95th Cong., 2d Sess. (1978); Oversight Hearings on Small Business Administration Programs and Activities: Hearings Before the Subcomm. on SBA Oversight and Minority Enterprise of the House Comm. on Small Business, 94th Cong., 2d Sess. (1976).

15/ 580 F.2d 1260, 1272 (5th Cir. 1978).

16/ J.H. Rutter Rex Manufacturing Co., Inc., Comp. Gen. B-190905 (July 11, 1978).

17/ The Department of Defense added a provision to the Defense Acquisition Regulations in 1979 in compliance with the amendment: 32 C.F.R. § 1-705.6.

18/ Rutter Rex has in the past bid on and competed successfully for contracts to furnish items of sewing apparel to the defendants falling within Federal Stock Classifications 8405 - "outerwear-men's"; 8410 - "outerwear-women's; and 8415 - "clothing, special purpose".

PROGRAM REVIEW

Mr. Korb. But I think our feeling was that by any standard of measurement that the big architectural and engineering firms are receiving a reasonable share of the marketplace and are not being excluded from DOD work.

For example, the 200 large firms mentioned in the Senate Armed Services Committee report represent only 0.7 percent of the architectural and engineering firms in the Nation, but they received almost 23 percent of DOD's dollar awards.

So, I mean we think that we reviewed the program as directly by the Armed Services Committee and think that we are giving a fair proportion to both the large firms as well as meeting our commitments to small business which, as you know, are also mandated by the Congress.

Senator Mattingly. We will have some additional ones for the record.

[The following questions were not asked a the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MATTINGLY

SMALL BUSINESS SET-ASIDES

Question. Please explain to the Subcommittee how these contracts are awarded. Also, how is the determination of a small business made with relation to Architect-Engineer firms?

Answer. Contracts resulting from small business set-asides are awarded under the authority, afforded in parallel by the Armed Forces Procurement Act, 10 U.S.C. Sec. 2304(a)(1), and the Small Business Act, 15 U.S.C. Sec. 644(a), to set procurements aside, in whole or in part exclusively for award to small business firms. Architect-Engineer firms are small business concerns when they are independently owned and operated, are not dominant in the field of operation in which they are bidding on Government contracts, and with their affiliates, do not exceed the annual receipts criteria established by the Small Business Administration. The annual receipts criteria for an Architect-Engineer firm provides that the firm is small if the average annual receipts of the firm and its affiliates for the preceding three fiscal years does not exceed $7.5 million.

SMALL BUSINESS SET-ASIDE REGULATIONS

Question. Do the same regulations apply to Architect-Engineer contracts as to other contract awards from the Defense Department?

Answer. Yes.

SMALL BUSINESS SIZE STANDARDS

Question. Does the Department of Defense use the same standards as other Federal agencies in the award of small business contracts?

Answer. Yes, small business size standards are, by law, promulgated by the Small Business Administration and are applicable to all Federal agencies.

ARCHITECT-ENGINEER PROPOSALS

Question. What is the status of the request submitted to the Defense Department by the Committee on Federal Procurement of Architect-Engineer services in November 1982?

Answer. A paper, reported as having been written by this Committee, was received and reviewed by elements of the Defense Department. No written request was received from this Committee, and therefore, no response has been provided.

APPLICATION OF REGULATIONS

Senator MATTINGLY. Do the same regulations as they apply to architect-engineer contracts apply to other contract awards from the Defense Department?

Mr. KORB. To the best of my knowledge they do.

Senator MATTINGLY. One last question is—so I can get the precise number down—on the number of family housing units that are going to be built. I just want to get this down solid. In fiscal year 1984 the total number that are going to be built domestically was 1,600 and what?

Mr. KORB. Well, the difference between 2,000——

Senator MATTINGLY. 2,000 and what?

Mr. KORB. Well, 2,914 we have in the budget.

Senator MATTINGLY. Right.

Mr. KORB. Of that 1,371 are in Europe.

Senator MATTINGLY. All right.

Mr. KORB. Now, again, we can furnish this for the record where there will be family housing. We can give you the exact numbers for the record.

[The information follows:]

FISCAL YEAR 1984 FAMILY HOUSING NEW CONSTRUCTION PROGRAM

[Dollar amounts in thousands]

Military department or agency and location	Number of units	Cost
Inside the United States:		
Army:		
Alaska—various locations	6	$1,158
Bethel	(2)	
Kotzebue	(2)	
Nome	(2)	
Fort Greely, Alaska	38	5,203
Fort Stewart, Ga	244	14,626
Fort Polk, La	200	15,342
Total Army	488	36,329
Navy:		
Marine Corps Air Station, El Toro, Calif.	130	11,666
Marine Corps Base, Camp Pendleton, Calif	300	23,160
Total Navy	430	34,826
Air Force:		
Forsyth Air Force Station, Mont	50	4,000
Harve Air Force Station, Mont	5	496
F. E. Warren Air Force Base, Wyo	270	20,000
Total Air Force	325	24,496
Total inside the United States	1,243	95,651
Outside the United States—Europe:		
Army:		
Bayreuth, Germany	13	1,132
Kitzingen, Germany	103	11,140
Wildflecken, Germany	153	12,157
Vincenza, Italy	2	354
Total Army	271	24,783
Navy:		
Naval Support Office La Maddalena, Italy	134	14,000
Naval Air Station, Sigonella, Italy	205	20,000
Total Navy	339	34,000
Air Force:		
Lajes Field, Azores, Portugal	150	12,262
Camp New Amsterdam, the Netherlands	50	5,218
Royal Air Force (RAF), Greeham-Common, United Kingdom	300	33,982
RAF Upper Heyford, United Kingdom	300	33,982
Total Air Force	750	75,708
Defense agencies classified locations	11	1,210
Total Europe	1,371	135,701
Other overseas:		
Navy:		
Public Works Center, Subic Bay, Philippines	300	29.300
Total other overseas	300	29,300
Total outside the United States	1,671	165,001
Total DOD worldwide	2,914	260,652

ADDITIONAL UNIT CONSTRUCTION

Senator MATTINGLY. Let me ask you this question. That leaves roughly 1,500—you will have to wait until I subtract this—1,543 units, or 1,643, one or the other, that would be built domestically.

If you were going to build an additional 80 units, would you find a place? I mean, would you want an additional 80 units if you could get them?

Mr. KORB. Yes, sir.

Senator MATTINGLY. With my rough figuring here, the 5-percent savings on the Davis-Bacon, for every 20 units that you build a 5-percent savings will give you one additional unit in family housing.

Mr. KORB. That is correct.

Senator MATTINGLY. So, that is quite a ratio that I think we might be able to pursue. I do not know whether we will be successful at it. But I think at a time when we are looking and trying to create jobs and we can get additional jobs by construction, that we could also at the same time provide family housing that is much needed. This is one time we might be able to get some agreement along those areas, I do not know.

You had also made a comment in your presentation about your environmental area. You said, "This year for the first time the Department of Defense is seeking funds for hazardous waste storage facilities."

Is this tied in closely with the Department of Energy and the EPA, what you do on this?

Mr. KORB. Yes, it is, particularly with the Environmental Protection Agency.

Senator MATTINGLY. Before we end today's hearing, I would like to say that I appreciate your cooperation and look forward to working with all of you on the military construction bill.

If any of you would care to make any further comments, please go ahead at this time.

BURDEN SHARING

Mr. McCOY. I would like to make just one additional comment and that is, as I mentioned earlier and as you mentioned, this issue of burden sharing is one that is of great concern. We have made progress in those areas, however, both in the host nation support area and in military construction.

As you know from our earlier discussions, one of those areas where I believe we have made substantial progress is in the COB's program where the NATO infrastructure fund is going to get a mid-term supplement to increase funding which would make possible a "buying out" of the COB program to the extent of about $300 million, to include the recoupment of earlier prefinancing as well as the sum we are requesting as a last year of prefinancing this year.

As you remember, in 1983, $28.6 million was authorized and not appropriated. And if we have savings that may be in addition to those that we put back into family housing, we might want to come back to the committee and also ask for support of our 1983 request because we believe we really have achieved a turnaround in the NATO community on the COB's issue.

We have a chance to take advantage of that large amount of infrastructure funds coming from other countries to build those facilities that U.S. forces would use then they are deployed to Europe.

In effect, that is a burden-sharing type of advantage which we can achieve if we are willing to put a little money up front. So, we certainly ask your support on that—as I know you are familiar with it—and we thank you for it.

That is all we have to say.

Senator **Mattingly**. Thank you, Mr. Secretary.

One last question. Does the DOD have a structured process for transmitting information gained in successful contracting operations to those facilities that have had not as much success? Is there a transfer of information?

Mr. **Korb**. Yes, sir, there is.

Senator **Mattingly**. There is. You know, that might be something that I and other people who go to military installations may need. So, it would not be a bad idea if you could give sort of brief summary of that sometime to us and we might be able to distribute it. I think it would be helpful.

[The information follows:]

Performance Reports

Paragraph 18-106.2 of the Armed Services Procurement Regulations prescribes the procedure for preparing and distributing performance evaluations of construction contractors.

Briefly, for each construction contract of $200,000 or more and each construction contract of $10,000 or more when any element of performance is unsatisfactory or outstanding, a performance evaluation report is prepared by the cognizant construction activity at the time of final acceptance of the work utilizing DD Form 1596, "Construction Contractor Performance Evaluation Report." A performance evaluation report is also prepared at the time of termination for every construction contract over $2,000 that is terminated for default and for every construction contract of $100,000 or more that is terminated for the convenience of the Government.

The original of the performance evaluation report for every contract is retained by the activity preparing the report for a minimum of six years after the date of the report. In addition, the reviewing official forwards a copy of reports: (1) with an overall unsatisfactory evaluation; (2) which cite outstanding performance; and (3) for all contracts in excess of $200,000 to the office of the Chief of Engineers, U.S. Army, the DoD designated repository for contractor performance evaluations. Copies of these evaluations are distributed on a periodic basis to the Service construction agents. In the selection of fully qualified responsible contractors for future awards or negotiations of construction contracts, any contracting office may obtain performance information from the Chief of Engineers (Office of Contracting Policy).

For design contracts the office of the Chief of Engineers uses a computerized system for the storage and dissemination of Architect-Engineer performance evaluations using information provided by the Services. However, the Defense Acquisition Regulation Council is exploring the use of a new performance evaluation form which appears superior to the present form and which should improve the effectiveness of the system.

SUBMITTED QUESTIONS

Senator **Mattingly**. I believe that completes the questions for this session. As I said earlier, the subcommittee may have various questions for the record as we continue the budget review process. I know that you will provide the committee with full answers to all of the questions.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR SASSER

Rate of Increase

Senator Sasser: Excluding family housing, the Military Construction budget before us provides a 22 percent real increase after inflation over the levels of funding enacted into law for Fiscal Year 1983. This is twice the requested increase for the Defense budget overall. Why is a real increase of this magnitude necessary, in view of the large budget deficit projected for Fiscal Year 1984?

Answer: The increase is needed because of the many years of neglect which have caused the base structure to deteriorate to the point that readiness is adversely affected. At the end of FY 1982, the Services estimated that the backlog in construction and real property maintenance was on the order of $78 billion.

Five Year Increase

Senator Sasser: Often the Congress tends to only look at the budget request before us. But I believe it is important to get the perspective of projected budgets in the out-years. The Congressional Budget Office has reported to us that between Fiscal Year 1984 and Fiscal Year 1988, budget authority for the Defense Department overall will increase 54 percent in current dollars. But CBO reports that budget authority for military construction and family housing will increase from $8.6 billion to $17.5 billion -- a 103 percent increase. So, in looking at the out-years, it appears you are planning to continue to increase military construction at a rate twice as fast as the total Defense budget. What are the driving factors behind this projected increase? What specific new projects are projected in the five-year plans which would necessitate such a large increse in military construction?

Answer: What primarily drives our plan to dramatically increase funding for military construction is recognition of the $78 billion backlog in construction and and real property maintenance. Many years of neglect have taken their toll on the condition of our base structure and the ability of our facilities to adequately support the readiness of our forces. The physical plant is quite old, has suffered from lack of maintenance, and is at the point where many of our structures cannot be repaired economically; such structures must be replaced. Also, it is essential that new weapons systems coming into the force have adequate supporting facilities, otherwise the effectiveness of such systems could be adversely affected.

Part of the $78 billion backlog involves facilities needed to support new weapons systems. However, by far the greatest part of the backlog is made up of projects to replace existing facilities uneconomical to maintain, to construct facilities to support existing missions, and generally to improve inadquate working and living conditions for our people. The largest part of the backlog is in the operations and training category ($13.9 billion) followed by utility systems ($9.6 billion) and maintenance and production facilities and family housing (about $8.8 billion each). Projects in these construction categories are varied and world-wide.

Lapsed Budget Authority

QUESTION: For each year, FY 1976 - FY 1982, what amount of budget authority lapsed? Provide for the record a list of each of those projects during this period which lapsed; the year they were appropriated; and the reason funds were never obligated.

ANSWER:

FY	Location	Project	Program Amount ($000)	Reason Not Constructed
76	Volunteer Army Ammo Plant	Incinerator Inert and Contamination	400	State of the Art not developed
76	Ft Detrick	Heat Alterations and Storm Windows	150	Would not Amortize
76	Ft Knox	Storm Windows and Sun Shades	1,190	Would not Amortize
76	Ft Knox	Install Heated Air Curtains	1,500	Would not Amortize
76	Ft Monmouth	Process Refuse Boiler Plant	1,798	Would not Amortize
76	Ft Ritchie	Storm Windows, Siding, Air Condition	183	Would not Amortize
76	Sierra Army Depot	Connect 3 Buildings to Central Heating	207	Would not Amortize
77	Ft Leonard Wood	Automatic Controls Central Plants	6,761	Would not Amortize
77	Picatinny Arsenal	Incinerator - Heat Recovery System	560	Would not Amortize
77	Germany	Defense Satellite Communication System	579	Change in Requirement
77	Panama, CZ	Upgrade Power	281	No longer required
78	Ft Meade	Alter Street Lighting	744	Would not Amortize
78	Presidio of San Francisco	Heat Recovery	132	Would not Amortize
78	Indiana Army Ammunition Plant	Explosive Waste Incinerator - APC	474	State will permit continuation of open burning
78	Aberdeen Proving Ground	Add Capacitors Electrical Distribution	120	Metering during design indicated additional capacitors not required
78	Sunny Point Military Ocean Terminal	Explosive Truck Access Road	319	Resubmitted in FY 81-Increased Cost
78	Germany	Dental Clinic, Heidelberg	500	Resubmitted in FY 80-increased cost
78	Germany	Conventional Ammunition Storage	697	Cancelled
78	Germany	Operation Building Augsburg	614	Resubmitted in FY 81 Program

Lapsed Budget Authority (Continued)

FY	Location	Project	Program Amount ($000)	Constructed
78	Germany	Prepositioning of Materiel Configured to Unit Set (POMCUS) 8 Locations	33,568	Funds reprogrammed to finance NATO Infrastructure. NATO to finance projects.
79	Ft Meade	Composite Dental Facility	1,600	Did not meet installation requirement
79	Ft Benning	Energy Control System	1,528	Work included in FY 84 Project
79	Ft Benjamin	Windows/Modernize Steam Air System	2,359	Not cost effective
79	Ft Knox	Armor Crew Inter Simulator	924	No longer required. Withdrawn by user.
79	Holston Army Ammunition Plant	Fume Abatement Nitric Acid	1,650	Change in State Requirement
79	Iowa Army Ammo Plant	Incinerator Contaminated Waste	501	Change in State Requirement
79	Longhorn Army	Incinerator Explosive Waste	507	Change in State Requirement
79	Michigan Army Ammo Plant	Install Storm Boiler	1,284	Change in State Requirement
79	Milan Army Ammo	Incinerator Explosive Waste	602	Change in State Requirement
79	Milan Army Ammo Plant	Incinerator Contaminated Waste	637	Change in State Requirement
79	Redstone Arsenal	Incinerator Contaminated Waste	716	Change in State Requirement
79	Redstone Arsenal	Incinerator Explosive Waste	509	Change in State Requirement
79	Rock Island Arsenal	Window Alterations	1,957	Would not Amortize
79	Sunflower Army Ammo Plant	Incinerator Explosive Waste	763	Change in State Requirement
79	Sunflower Army Ammo Plant	Incinerator Contaminated Waste	518	Change in State Requirement
79	Walter Reed Army Medical Center	Medical Administration and Support Alterations	3,524	Resubmitted at at Increased Cost in FY 82
79	Germany	Tactical Equipment Shop, Aschafenberg	1,814	Resubmitted in FY 82
79	Germany	Heavy Equipment Maintenance, Mannheim	4,050	Resubmitted in FY 82
79	Germany	Facilities Modernization, Mannheim	7,000	Resubmitted in FY 82
79	Germany	Tactical Equipment Shop, Wildflecken	1,037	Resubmitted in FY 81
79	Germany	Facilities Modernization, Baumholder	14,000	Resubmitted in FY 82
79	Germany	Flight Simulator Mannheim	1,739	Resubmitted in FY 82

Lapsed Budget Authority (Continued)

FY	Location	Project	Program Amount ($000)	Constructed
80	Ft Benning	Boiler and Heating Controls	1,350	Work included in FY 84 Project
80	Ft Benjamin Harrison	Insulate Controls	1,650	Not cost effective
80	Crane Army Ammo Plant	Incinerator Explosive Waste	810	Indiana will continue to permit open burning
80	Lake City Army Ammo Plant	Industrial Waste Facility	3,800	To be programed in future year
80	McAlester Army Ammo Plant	Incinerator Explosive Waste	800	Change in State Air Quality Standards
80	McAlester Army Ammo Plant	Incinerator Contaminated Waste	670	Change in State Air Quality Standards
80	Michigan Army Ammo Plant	Emission Control - Boiler	2,550	Plant transferred to State
80	Volunteer Army Ammo Plant	Line Drainage Ditches	810	Change in State requirement
81	Anniston Army Depot	Land Fill Chemical Waste	1,100	Revised State requirements
81	Holston Army Ammo Plant	Contaminated Waste Incinerator	2,050	Change in State requirement
81	Holston Army Ammo Plant	Explosive Waste Incinerator	1,850	Change in State requirement
81	McAlester Army Ammo Plant	Contaminated Waste Incinerator	2,150	Change in State requirement
81	Milan Army Ammo Plant	Contaminated Waste Incinerator	2,100	Change in State requirement
81	Saint Louis Support Area	Health Clinic	3,050	Surplus Public Health Clinic became available
81	Volunteer Army Ammo Plant	Contaminated Waste Incinerator	2,150	Change in State requirement
81	Panama CZ	Dental Clinic	2,650	Reduced population
82	Germany	Temperature Heat Recovery	667	Superseded by O&M project
		TOTAL	130,203	

While project authorization has lapsed for each of the Fiscal Year 1976 through Fiscal Year 1981 projects listed above, the appropriations for Fiscal Year 1979 and prior projects will not lapse until 1 October 1983. These funds, as well as those for Fiscal Year 1980 through Fiscal Year 1982 projects have or are being used to cover the costs of such items as currency rate increases and undistributed appropriation cuts such as those made in FY 76 ($5,000,000), FY 78 ($45,000,000), and FY 82 ($108,188,000).

Overview

Installation - Location	Amount ($000)	Reason
Fiscal Year 1982		
Marine Corps Recruit Depot, San Diego, CA - Heating, Ventilation and Air Conditioning	120	Project no longer meets Energy Conservation Improvement Program (ECIP) criteria.
Fiscal Year 1981		
Naval Ship Research Development Center, Annapolis, MD - Weatherization	200	Does not meet ECIP criteria.
Fiscal Year 1980		
Naval Air Engineering Center, Lakehurst, NJ - Insulation and Storm Windows	700	Does not meet ECIP requirements.
Al Ghurdagah, Egypt - Biological Laboratory	30	No excess foreign currency to meet costs.
Naval Air Station, Meridian, MS - Energy Monitoring Control System	220	Does not meet ECIP requirements.
Naval Air Station, Whiting Field, FL - Sewage Treatment Plant Improvements	310	Cost escalation beyond Specified Location Minor MILCON (SLMM) limits.
Naval Submarine Base, New London, CT - Ceiling Insulation	250	Does not meet ECIP requirements.
TOTAL	1,510	
Fiscal Year 1979		
Naval Radio Transmitting Facility, Annapolis, MD - Seawall Repair	850	Insufficient funds
Naval Station, Pearl Harbor, HI - Building Alterations	890	Not practicable from a technical standpoint.
Marine Corps Base, Camp Pendleton, CA - Bachelor Enlisted Quarters Modernization	7,300	Not economical to modernize. New BEQ to be built in fiscal year 1981.

Overview

Installation - Location	Amount ($000)	Reason
Naval Air Station, North Island, CA - Aircraft Rinse Facility	610	Insufficient funds
Pacific Missile Test Center, Point Mugu, CA - Boiler Fuel Conversion	1,500	Insufficient funds
Fleet Training Center, San Diego, CA - Building Alterations	1,400	Not practicable from a technical standpoint.
Naval Education Training Center, Newport, RI - Municipal Sewer Connection	2,500	Project was programmed to provide Navy's share for a new sewage treatment plant. Current estimate for sewage treatment plant is $40.5 million. Navy's share is $7.2 million. Because of this significant increase in cost, project was cancelled.
Naval Technical Training Center, San Francisco, CA - Building Alterations	1,550	Not practical from a technical standpoint.
TOTAL	16,600	

Fiscal Year 1978

Fleet Combat Training Center, Dam Neck, VA - Insulation and Storm Windows	240	Not economical. Doesn't meet ECIP criteria.
Longbeach Naval Shipyard, Longbeach, CA - Insulation and Storm Windows	140	Not economical. Doesn't meet ECIP criteria.
Navy Public Works Center, San Francisco, CA - Energy Monitoring and Control System	480	Not economical. Doesn't meet ECIP criteria.
Naval Station, Charleston, SC - Ship Radar Calibration Facility	180	New project in fiscal year 1980.
Naval Ordnance Station, Flagstaff, AZ - Heating, Ventilation and Air Conditioning	80	Not economical.

Overview

Installation - Location	Amount ($000)	Reason
Naval Communication Area Master Station Naples, Italy - Generator Building	400	No requirement.
Portsmouth Naval Shipyard, Kittery, ME - Oily Waste Collection and Reclamation	1,300	Insufficient funds
Puget Sound Naval Shipyard, Bremerton, WA - Energy Recovery System	1,550	Insufficient funds
TOTAL	4,370	
Fiscal Year 1977		
Naval Weapons Station, Crane, IN - Energy Recovery System	290	Design System not compatible with explosives.
Naval Facility, Point Sur, Big Sur, CA - Sanitary Sewage Collection and Treatment	160	New production facility in fiscal year 1981 program.
Puget Sound Naval Shipyard, Bremerton, WA - Energy Recovery System	432	Not economical. Doesn't meet ECIP criteria.
Naval Air Station, Memphis, TN - Municipal Sewer Connection	194	Not economical.
Navy Ships Parts Control Center, Mechanicsburg, PA - Heating, Ventilation and Air Conditioning	135	Not economical.
TOTAL	1,211	
Fiscal Year 1976		
Naval Air Station, Brunswick, ME - Solid Waste Disposal	100	Purpose of project was to provide Navy's share of design & construction costs of new Solid Waste Disposal System, but town of Brunswick is indecisive as to what type of land fill is required.

Overview

Installation - Location	Amount ($000)	Reason
Naval Air Station, North Island, CA - Boiler Plant Control	108	Not required. Using commercial steam.
Puget Sound Naval Shipyard, Bremerton, WA - Heat Recovery System Installation	310	Not practicable from a technical standpoint.
National Parachute Test Range, El Centro, CA - Sink Rate Test Facility	1,345	Relocation of function. Questionable requirement
Naval Ordnance Station, Louisville, KY - Heat Recovery Equipment Installation	482	Cancelled requirement.
Naval Air Station, Bermuda - Fuel Storage Tanks	78	Lease agreement more advantageous.
Navy Public Works Center, Pensacola, FL - Steam Interconnect	236	Work included in P-060 fiscal year 1975 Naval Air Station project.
Marine Corps Recruit Depot, Parris Island, SC - Solar Screen Facility Barracks	85	Does not meet ECIP criteria.
Naval Air Station, Cecil Field, FL - Weapons Dept Perimeter Lighting Modernization	79	Work accomplished in other project.
Naval Ordnance Station, Indian Head, MD - Motor Reclamation Facility	2,473	Project cancelled because of numerous technical difficulties and unresolved problems.
Naval Personnel Center, New Orleans, LA - Admin Complex	21,300	SECNAV cancelled BUPERS move.
Naval Station, Roosevelt Roads, Puerto Rico - Extended Sewer	250	Not required. Outfall.
Naval Personnel Center, New Orleans, LA - Municipal Sewer Control	1,001	Work accomplished in other project.

Overview

Installation - Location	Amount ($000)	Reason

Naval Air Station, Lakehurst, NJ - Municipal Sewer	115	Superceded by fiscal year 1982 project P-192, Sewage System Improvements.
Naval Torpedo Station, Keyport, WA - Ammunition Disposal	270	Design problems and cost escalation.
TOTAL	28,232	

The expiration dates of appropriations are as follows:

FY 79 and prior - September 30, 1983
FY 80 and prior - September 30, 1984
FY 81 and prior - September 30, 1985
FY 82 and prior - September 30, 1986

No budget authority has lapsed for Fiscal Year 76 to Fiscal Year 82. The following projects were authorized and appropriated but were cancelled due to mission changes, software problems, or because they were not cost effective. The funds provided for these projects are being used for reprogramming. Therefore, it is anticipated that no budget authority will lapse.

Base	Title	FY
Fairchild AFB	Alter Aircraft Corrosion Control Facility	76
Elmendorf AFB	Precision Approach Radar	77
Beale AFB	Precision Approach Radar	77
Chanute AFB	Air Pollution Abatement	78
Columbus AFB	NAVAIDS/Precision Approach Radar	78
McConnell AFB	ILS	78
Plattsburg AFB	Energy Management Control Systems	78
RAF Lakenheath	ILS	78
RAF Woodbridge	ILS	78
Kelly AFB	Energy Management Control Systems	79
Edwards AFB	Install Heat/Cool	79
Edwards AFB	Energy Management Control System	79
Galena AFB	ILS	79
Shemya AFB	ILS	79
Kirtland AFB	Energy Modify Steam Lines	79
Moody AFB	Flight Simulator	79
Newark AFS	Energy Conservation Investment Program	80
Kirtland AFB	Energy Conservation Investment Program	80
Ellsworth AFB	Sewage Treatment/Disposal	80
Cannon AFB	Flight Simulator Training	80
Cannon AFB	Alter Aircraft Maintenance	80
Cannon AFB	Munitions Maintenance & Storage	80
Homstead AFB	Flight Simulator Training	80
Homstead AFB	Various Aircraft Maintenance	80
Homstead AFB	Support Center for Maintenance	80
Howard AFB	Security Facilities	80
USAFE Various	Power Check Pads	80

Osan AB	**Flight Simulator Training**	80
Tinker AFB	**Energy Conservation Investment Program**	81
Arnold AFB	**Coal Conversion**	81
Andrews AFB	**Ready Alert Facility**	81
Fairchild AFB	**Flight Simulator Training**	81
Peterson AFB	**Oil Backup**	81

QUESTION: CBO has also reported to us that during the period FY 1976 to FY 1982, the Congress provided $30.6 billion in budget authority for military construction. During this same period, only $23.6 billion resulted in actual outlays. In other words, for this particular period 23 percent of the budget authority provided by Congress has not resulted in actual expenditures. During this same period the Department of Defense overall was appropriated $1 trillion 23.6 billion. Of this amount $915 billion resulted in outlays - 89 percent of BA outlayed. I have two questions: (1) Why has military construction funding failed to outlay as quickly as the total defense budget? (2) In the five-year period FY 1984 to FY 1988 do you project any improvement in the outlay rate? If so, please give us your projections.

ANSWER: In regard to the first question, the total defense budget outlay figures are a composite average of both slower spending and faster spending appropriations. Some of the faster spending large appropriations such as military personnel and operations and maintenance tend to skew the average, weighting it to reflect their faster outlay rates. Thus, slower spending appropriations (such as military construction) do not, as you have noted, outlay at the same rate as the composite average.

Secondly, the outlay rate of military construction compared to the composite average could possibly change in the FY 1984 to FY 1988 time frame. This change could be the result of variations in the relative mix of the non-military construction appropriations or variations in any appropriation's outlay rate. Such variations could result in the military construction outlay rate either more closely approximating the average or more greatly diverging from the average.

QUESTION: CBO reports there were $3 billion 265 million in unobligated balances for military construction in Fiscal Year 1982. It estimates these unobligated balances will be reduced to $2 billion 832 million in the current year. However, the projection for Fiscal Year 1984 shows another increase in unobligated military construction funds to $3 billion 292 million. Please explain these changes in unobligated balances.

ANSWER: One factor which influences the level of military construction unobligated balances is the level of resources available for obligation. The Department of Defense's estimates of both unobligated balances and funds available for obligation is as follows:

	Funds available for obligation ($ in Millions)	Unobligated balance carried forward ($ in Millions)
FY 1982 (actual)	8,061.9	3,073.7
FY 1983 (estimated)	8,622.2	2,619.8
FY 1984 (estimated)	9,642.7	2,989.3

We have not reconciled these to the CBO estimates since we are not aware of the basis for the CBO estimates.

It should be noted that even though the level of funds available for obligation is rising in FY 1983 and FY 1984, the unobligated balance carried forward is either descreasing or remaining essentially constant.

QUESTION: Last year, the Department reported that 578 project awards were made in Fiscal Year 1981. How many awards were made in Fiscal Year 1982?
ANSWER: We awarded 747 projects in the FY 1982 MILCON program during that year.

QUESTION: I am concerned that the Department should make every attempt to execute funds in the year they are approved. The goal of the Department is 90 percent. However, with a relatively slow obligation rate, it appears the Department may not be meeting its goal. What is your most recent experience?
ANSWER: The percent of awards has risen steadily from 65 percent in FY 1977 to 84 percent in FY 1982. A favorable construction climate and this trend caused the Department to review its goal. The DoD goal now is to award 95 percent of its FY 1983 MILCON projects in FY 1983. The Services are working to meet this goal which appears to be obtainable at this time. At the present time 62.5 percent of the dollar value of the FY 1983 program is ready for advertisement or has been awarded.

QUESTION: In Fiscal Year 1981, there were nine bidders for each project. What was the average number of bidders in Fiscal Year 1982 and what is the average so far in Fiscal Year 1983?
ANSWER: The Department averaged 11 bidders per project in both Fiscal Year 1982 and Fiscal Year 1983.

QUESTION: At this time last year 50 percent of the FY 1982 program had been advertised or was ready for bid. Presently, what percentage of the 1983 program has been advertised or is ready to bid? How many projects were provided in the 1983 program and what number of those have been advertised?
ANSWER: Currently 766 of the 957 projects (80 percent) are ready for advertisement, ready for bid, or have been awarded.

Overseas Share

Question: Five years ago, only twenty percent of military construction funding was directed overseas. The fiscal year 1984 budget proposes that 60 percent of total funds be provided outside the Continental United States or to projects, primarily, family housing, which are designated "worldwide unspecified." What accounts for this significant reversal in historical funding patterns?
Answer: Of the total $8.8 billion FY 1984 military construction request, approximately $3.0 billion or 34 percent is for construction overseas. This includes the regular military construction program plus family housing improvements and operation and maintenance. The increase over the request five years ago represents an increased emphasis on improving living and working conditions, particularly in Europe, and facility requirements generated by deployments of new weapon systems such as GLCM, PATRIOT, and the Multiple Launched Rocket System.

Overseas Increases

Question: Last year the Congress provided $1.2 billion for fiscal year 1983 for specified military construction and family housing outside the U.S.A. In fiscal year 1984 you are requesting $1.8 billion outside the U.S.A. for these accounts - a 50 percent increase. Why is such an increase justified? What specific projects account for this increase?

Answer: For FY 1984, DoD is requesting $1.9 billion for specified military construction and family housing construction outside the United States. By comparison, in FY 1983 $2.1 billion was requested for overseas construction with $1.53 billion actually appropriated. This year's request is some 24 percent higher than the total appropriated last year but 10 percent less than last year's request. Significant projects which explain this increase include:

- $207 million for support construction at five GLCM sites - represents peak MILCON funding year.
- $136 million for the prefinancing of NATO-eligible projects. Operationally-essential projects which cannot be included in a NATO program due to current shortage of funds.
- $152 million for Navy construction in Europe is more than double last year's program includes $26 million for prefinancing and $39 million to buy out housing leases.

Significant increases in family housing and unaccompanied personnel housing construction.

QUESTION: For FY 1980 through FY 1983 provide by year the number of construction projects by type of facility (operational, training, R&D, etc) approved by Congress for the continental United States. Provide the same for FY 1984 as requested.

ANSWER:

PROJECTS BY FACILITY TYPE
INSIDE THE CONTINENTAL UNITED STATES
(DOLLARS ARE IN THOUSANDS)

ARMY

YEAR	FACILITY TYPE	COUNT	PROGRAM AMOUNT
80	OPERATIONS	16	22,866
	TRAINING	8	27,385
	MAINTENANCE AND PRODUCTION	19	91,778
	RESEARCH AND DEVELOPMENT	13	18,542
	SUPPLY	12	21,719
	MEDICAL	4	13,961
	ADMINISTRATIVE	3	1,378
	UNACCOMPANIED HOUSING	14	76,583
	COMMUNITY	2	18,170
	UTILITIES	34	48,190
	ENERGY CONSERVATION	27	28,492
	WATER POLLUTION ABATEMENT	40	105,692
	REAL ESTATE & ACCESS ROADS	5	27,086

YEAR	FACILITY TYPE	COUNT	PROGRAM AMOUNT
81	OPERATIONS	10	22,776
	TRAINING	13	34,246
	MAINTENANCE AND PRODUCTION	26	109,015
	RESEARCH AND DEVELOPMENT	7	14,125
	SUPPLY	9	14,158
	MEDICAL	8	157,505
	ADMINISTRATIVE	4	13,898
	UNACCOMPANIED HOUSING	15	43,631
	COMMUNITY	5	4,775
	UTILITIES	22	43,472
	ENERGY CONSERVATION	56	50,806
	OCCUPATIONAL SAFETY & HEALTH	2	1,150
	WATER POLLUTION ABATEMENT	14	30,755
	REAL ESTATE & ACCESS ROADS	1	3,000
82	OPERATIONS	4	14,900
	TRAINING	8	18,900
	MAINTENANCE AND PRODUCTION	8	39,175
	RESEARCH AND DEVELOPMENT	2	27,570
	SUPPLY	6	11,880
	MEDICAL	3	85,200
	ADMINISTRATIVE	3	9,550
	UNACCOMPANIED HOUSING	14	70,585
	COMMUNITY	6	23,820
82	UTILITIES	11	21,120
	ENERGY CONSERVATION	32	51,820
	OCCUPATIONAL SAFETY & HEALTH	13	10,170
	WATER POLLUTION ABATEMENT	7	4,790
	REAL ESTATE & ACCESS ROADS	2	37,800
83	OPERATIONS	5	10,720
	TRAINING	20	75,940
	MAINTENANCE AND PRODUCTION	23	148,680
	RESEARCH AND DEVELOPMENT	1	4,950
	SUPPLY	2	1,940
	MEDICAL	2	19,400
	UNACCOMPANIED HOUSING	20	74,820
	COMMUNITY	3	4,790
	UTILITIES	8	34,130
	ENERGY CONSERVATION	8	7,750
	OCCUPATIONAL SAFETY & HEALTH	4	14,790
	WATER POLLUTION ABATEMENT	2	4,350
	REAL ESTATE & ACCESS ROADS	1	3,000
84	OPERATIONS	11	27,470
	TRAINING	31	151,210
	MAINTENANCE AND PRODUCTION	25	182,530
	RESEARCH AND DEVELOPMENT	5	35,050
	SUPPLY	6	19,220
	ADMINISTRATIVE	2	1,370
	UNACCOMPANIED HOUSING	23	120,120
	COMMUNITY	14	37,260
	UTILITIES	13	47,270
	ENERGY CONSERVATION	17	31,280
	OCCUPATIONAL SAFETY & HEALTH	4	21,720
	WATER POLLUTION ABATEMENT	5	8,440
	REAL ESTATE & ACCESS ROADS	2	3,950
TOTAL		765	2,564,504

NAVY

FACILITY CLASS (Inside U.S. only)	ENACTED FY 1980 No. of Projects	ENACTED FY 1980 Approp. Amount ($000)	ENACTED FY 1981 No. of Projects	ENACTED FY 1981 Approp. Amount ($000)	ENACTED FY 1982 No. of Projects	ENACTED FY 1982 Approp. Amount ($000)	ENACTED FY 1983 No. of Projects	ENACTED FY 1983 Approp. Amount ($000)	REQUESTED FY 1984 No. of Projects	REQUESTED FY 1984 Approp. Amount ($000)
Operation Facilities	22	37,019	22	83,220	27	105,510	21	82,175 1/	40	225,442
Training Facilities	9	23,870	14	17,180	16	58,410	19	74,960	18	82,040
Maintenance & Production Facilities	34	79,670	34	123,010	37	177,460	33	137,408 2/	37	131,170
Research, Development & Test Facilities	6	10,370	3	17,500	10	32,330	9	39,610	9	113,095
Supply Facilities	14	49,320	8	11,220	16	35,710	10	18,050	5	10,630
Hospital & Medical Facilities	3	11,250	7	46,590	4	207,680	3	13,200	4	52,170
Administrative Facilities	8	28,270	11	13,300	10	20,290	8	11,260 3/	4	30,200
Unaccompanied Housing Facilities	13	66,386	21	85,370	22	154,280	20	120,890 4/	26	138,355
Community Facilities	5	10,810	12	18,290	17	18,000	14	12,860	21	17,065
Utilities & Ground Improvements	54	95,705	34	83,133	43	263,688	32	263,190 5/	21	198,748
Real Estate	2	25,700	5	17,530	4	10,370	2	4,050 6/	3	8,630

1/ Additionally, one project approved for accomplishment through savings ($3,150,000 total).
2/ Additionally, two projects approved for accomplishment through savings ($20,300,000 total).
3/ Additionally, one project approved for accomplishment through savings ($17,500,000 total).
4/ Additionally, one project approved for accomplishment through savings ($820,000 total).
5/ Additionally, four projects approved for accomplishment through savings ($8,800,000 total).
6/ Additionally, one project approved for accomplishment through savings ($6,200,000 total).

Includes Pollution Abatement, Energy Conservation Facilities.

APPROPRIATION PROGRAM

MCP FY-1980
AIR FORCE

CATEGORY	($000)	CONUS No. of Projects
OPERATIONAL	60,946	30
TRAINING	14,110	8
MAINTENANCE	41,020	21
RDT&E	155,500	9
SUPPLY	4,540	4
MEDICAL	28,300	2
ADMINISTRATIVE	6,250	2
PERSONNEL HOUSING	54,740	17
COMMUNITY	5,210	10
UTILITIES	5,300	2
POLLUTION	16,230	6
ENERGY	32,160	40
REAL ESTATE	2,800	4
TOTAL FY-1980	427,106	155

APPROPRIATION PROGRAM

MCP FY-1981

CATEGORY	($000)	CONUS No. of Projects
OPERATIONAL	133,350	28
MAINTENANCE	38,050	20
RDT&E	129,050	7
SUPPLY	15,850	7
MEDICAL	29,110	6
ADMINISTRATIVE	2,900	1
PERSONNEL HOUSING	49,147	14
COMMUNITY	15,830	9
UTILITIES	39,250	8
POLLUTION	12,070	8
ENERGY CONSERV	45,160	40
ENERGY SHOWCASE	1,000	1
REAL ESTATE	1,551	2
TOTAL FY-1981	529,218	161

APPROPRIATION PROGRAM

MCP FY-1982

CATEGORY	($000)	CONUS No. of Projects
OPERATIONAL	235,470	30
TRAINING	42,260	12
MAINTENANCE	75,596	36
RDT&E	51,810	6
SUPPLY	1,950	2
MEDICAL	126,450	4
ADMINISTRATIVE	57,740	31
PERSONNEL HOUSING	48,910	12
COMMUNITY	13,080	3
UTILITIES	11,825	9
POLLUTION	4,910	2
ENERGY CONSERV	51,517	45
REAL ESTATE	12,780	5
TOTAL FY-1981	734,298	197

APPROPRIATION PROGRAM

MCP FY-1983

CATEGORY	($000)	CONUS No. of Projects
OPERATIONAL	221,243	38
TRAINING	33,560	9
RDT&E	102,615	11
SUPPLY	21,880	9
MEDICAL	57,000	3
ADMINISTRATIVE	49,148	28
PERSONNEL HOUSING	86,720	24
COMMUNITY	26,050	18
ENERGY CONSERV	52,000	26
UTILITIES	169,065	16
POLLUTION	16,580	11
REAL ESTATE	11,690	5
TOTAL FY-1983	919,951	240

(PROPOSED)

MCP FY-1984

CATEGORY	($000)	CONUS No. of Projects
OPERATIONAL	629,780	43
TRAINING	33,960	9
MAINTENANCE	127,825	34
RDT&E	88,660	12
SUPPLY	23,740	11
MEDICAL	74,860	9
ADMINISTRATIVE	34,502	16
PERSONNEL HOUSING	137,935	27
COMMUNITY	28,630	25
ENERGY CONSERV	26,015	30
UTILITIES	87,087	23
POLLUTION	36,050	5
REAL ESTATE	4,620	5
TOTAL FY-1984	1,333,664	249

Number of Construction Projects for Continental U.S.

DEFENSE AGENCIES

	FY1980	FY1981	FY1982	FY1983	FY1984
Operations	1	3	7	3	3
Training				2	2
Maintenance and Production		1	1	2	
Research and Development	1	1		1	3
Supply	3	5	5	6	11
Administrative	1	1	2		3
Troop Housing					1
Utilities	1	3	1		5
Air Pollution				1	
Water Pollution			1		
Energy Conservation		2	10	4	1

QUESTIONS: For FY 1980 through FY 1983 provide by year the number of construction projects by type of facility approved by Congress outside the United States. Provide the same for FY 1984 as requested.

ANSWER:

PROJECTS BY FACILITY TYPE
OUTSIDE THE CONTINENTAL UNITED STATES
(DOLLARS ARE IN THOUSANDS)

ARMY

YEAR	FACILITY TYPE	COUNT	PROGRAM AMOUNT
80	OPERATIONS	6	6,059
	TRAINING	4	9,070
	MAINTENANCE AND PRODUCTION	5	30,900
	SUPPLY	7	7,000
	MEDICAL	6	7,560
	ADMINISTRATIVE	4	21,689
	UNACCOMPANIED HOUSING	6	25,495
	COMMUNITY	3	4,470
	UTILITIES	7	7,261
	ENERGY CONSERVATION	6	14,960
	WATER POLLUTION ABATEMENT	2	2,950
	REAL ESTATE & ACCESS ROADS	1	500
81	OPERATIONS	4	12,218
	TRAINING	7	8,969
	MAINTENANCE AND PRODUCTION	22	77,697
	RESEARCH AND DEVELOPMENT	1	840
	SUPPLY	11	28,039
	MEDICAL	8	16,546
	ADMINISTRATIVE	1	1,340
	UNACCOMPANIED HOUSING	9	37,767
	COMMUNITY	10	13,925
	UTILITIES	7	20,090
	ENERGY CONSERVATION	5	7,282
	WATER POLLUTION ABATEMENT	2	1,510

PROJECTS BY FACILITY TYPE
OUTSIDE THE CONTINENTAL UNITED STATES
(DOLLARS ARE IN THOUSANDS)

YEAR	FACILITY TYPE	COUNT	PROGRAM AMOUNT
82	OPERATIONS	6	21,446
	TRAINING	6	29,788
	MAINTENANCE AND PRODUCTION	32	117,772
	SUPPLY	11	18,295
	MEDICAL	1	26,532
	ADMINISTRATIVE	3	5,350
	UNACCOMPANIED HOUSING	19	102,228
	COMMUNITY	9	14,730
	UTILITIES	8	24,035
	ENERGY CONSERVATION	8	9,375
	OCCUPATIONAL SAFETY & HEALTH	1	370
83	OPERATIONS	3	7,750
	TRAINING	7	37,400
	MAINTENANCE AND PRODUCTION	24	97,650
	SUPPLY	4	3,910
	MEDICAL	3	35,450
	ADMINISTRATIVE	1	1,100
	UNACCOMPANIED HOUSING	27	122,710
	COMMUNITY	3	3,120
	UTILITIES	15	33,030
	ENERGY CONSERVATION	12	10,380
84	OPERATIONS	11	70,360
	TRAINING	4	21,000
	MAINTENANCE AND PRODUCTION	34	148,340
	SUPPLY	20	38,510
	MEDICAL	3	25,300
	ADMINISTRATIVE	5	8,290
	UNACCOMPANIED HOUSING	22	95,000
	COMMUNITY	27	36,630
	UTILITIES	7	14,770
	ENERGY CONSERVATION	10	9,380
	WATER POLLUTION ABATEMENT	1	530
TOTAL		491	1,554,668

NAVY

FACILITY CLASS (Outside U.S. only)	ENACTED FY 1980		ENACTED FY 1981		ENACTED FY 1982		ENACTED FY 1983		REQUESTED FY 1984	
	No. of Projects	Approp. Amount ($000)	No. of Projects	Approp. Amount ($000)	No. of Projects	Approp. Amount ($000)	No. of Projects	Approp. Amount ($000)	No. of Projects	Approp. Amount ($000)
Operation Facilities	5	6,630	9	134,117	6	182,300	6	41,480	13	100,010
Training Facilities	0	0	0	0	0	0	0	0	0	0
Maintenance & Production Facilities	1	1,500	0	0	4	13,920	4	5,650	8	25,760
Research, Development & Test Facilities	1	30	0	0	1	1,250	0	0	1	2,420
Supply Facilities	1	3,800	1	400	0	0	2	9,600	3	9,840
Hospital & Medical Facilities	0	0	0	0	0	0	1	1,400	1	2,830
Administrative Facilities	1	2,800	1	480	1	2,800	0	0	4	3,530
Unaccompanied Housing Facilities	4	5,960	1	9,200	8	30,665	4	23,840	4	18,180
Community Facilities	0	0	1	210	2	3,600	4	7,200	12	22,450
Utilities & Ground Improvements	7	28,300	4	32,100	6	3,930	12	78,635	3	9,250
Real Estate	0	0	0	0	0	0	0	0	1	415

Includes Pollution Abatement, Energy Conservation Facilities.

APPROPRIATION PROGRAM

MCP FY-1980

AIR FORCE

CATEGORY	($000)	OVERSEAS No. of Project
OPERATIONAL	55,890	22
TRAINING	8,460	5
MAINTENANCE	2,720	3
RDT&E	0	0
SUPPLY	0	0
MEDICAL	0	0
ADMINISTRATIVE	0	0
PERSONNEL HOUSING	6,860	7
COMMUNITY	4,190	6
UTILITIES	2,930	2
POLLUTION	0	0
ENERGY	0	0
REAL ESTATE	0	0
TOTAL FY-1980	81,050	45

APPROPRIATION PROGRAM

MCP FY-1981

CATEGORY	OVERSEAS ($000)	No. of Projects
OPERATIONAL	50,377	13
MAINTENANCE	1,150	1
RDT&E	0	0
SUPPLY	65,800	5
MEDICAL	0	0
ADMINISTRATIVE	0	0
PERSONNEL HOUSING	7,450	2
COMMUNITY	1,930	1
UTILITIES	16,700	2
POLLUTION	0	0
ENERGY CONSERV	0	0
ENERGY SHOWCASE	0	0
REAL ESTATE	0	0
TOTAL FY-1981	145,457	25

MCP FY-1982

CATEGORY	($000)	OVERSEAS No. of Projects
OPERATIONAL	373,639	32*
TRAINING	544	1
MAINTENANCE	14,310	11
RDT&E	0	0
SUPPLY	20,850	5
MEDICAL	0	0
ADMINISTRATIVE	4,950	6
PERSONNEL HOUSING	28,250	8
COMMUNITY	9,240	3
UTILITIES	10,470	4
POLLUTION	0	0
ENERGY CONSERV	0	0
REAL ESTATE	0	0
TOTAL FY-1981	462,253	70

* -2700 Not included, unspecified reduction

MCP FY-1983

CATEGORY	($000)	OVERSEAS No. of Projects
OPERATIONAL	308,527	35
TRAINING	1,800	2
RDT&E	0	0
SUPPLY	11,460	4
MEDICAL	39,876	3
ADMINISTRATIVE	18,740	16
PERSONNEL HOUSING	46,450	11
COMMUNITY	5,960	4
ENERGY CONSERV	5,270	8
UTILITIES	17,620	4
POLLUTION	0	0
REAL ESTATE	0	0
TOTAL FY-1983	495,323	111

(PROPOSED)

MCP FY-1984

CATEGORY	OVERSEAS	
	($000)	No. of Projects
OPERATIONAL	575,499	48
TRAINING	1,280	2
MAINTENANCE	8,340	8
RDT&E	0	0
SUPPLY	46,850	27
MEDICAL	7,760	2
ADMINISTRATIVE	8,100	5
PERSONNEL HOUSING	81,520	17
COMMUNITY	6,350	3
ENERGY CONSERV	10,655	14
UTILITIES	15,932	11
POLLUTION	0	0
REAL ESTATE	0	0
TOTAL FY-1984	762,236	137

The information for the Defense Agencies follows:
Number of Construction Projects Overseas

DEFENSE AGENCIES

	FY1980	FY1981	FY1982	FY1983	FY1984
Operations	1	3	1	3	2
Research and Development					1
Supply			2	3	1
Administrative			1		
Troop Housing					1
Community	7	14	11	16	19
Utilities				1	

Priority Ranking

Senator Sasser: The Department should expect to receive some cuts and reductions from the budget request. In order for this Committee to review the relative merit of the request, I ask DoD to provide for the record a priority ranking for projects.

Answer: All projects included in this year's program are high priority. Overseas projects are particularly important if we are to provide adequate working and living conditions for our people. It is more difficult and in some cases impossible for our people to rely on communities in overseas areas to the extent they can in the United States.

Any reduction to military construction will put us behind the power curve in executing our planned program to reverse the years of neglect which adversely impacted the conditions of our physical plant. Because of the importance of all of these projects and the balanced program we developed, a priority ranking would be inappropriate. However, I would be pleased to provide the Committee the consequences of any specific reduction it might propose.

Backlog

Question: Last year it was reported that the construction and maintenance backlog totaled $47 billion. What is the estimated backlog today? What do you estimate will be the backlog by the end of Fiscal Year 1988 in constant dollars?

Answer: The construction and maintenance backlog is estimated to be about $78 billion, as of the start of Fiscal Year 1983 based on the most recent reports from the Services. This backlog consists of $72 billion of construction and $6 billion of maintenance. For the end of Fiscal Year 1988, the backlog is estimated to be about $35 billion, in constant Fiscal Year 1984 dollars. Of the total, $33 billion is for construction and $2 billion is for maintenance.

GLCM Support Facilities

Question: What is requested in FY 1984 for family housing and dependent schools at the proposed European ground launched cruise missile sites?

Answer: There is $35.4 million for dependent schools at three of the GLCM sites and $12.7 million for family housing at Greenhan Common, U.K.

Question: Last year the Congress deferred funding for housing and schools at GLCM sites because of the ongoing negotiations at Geneva on intermediate range nuclear missiles. Since the negotiations are continuing, why should the Congress approve these funds in FY 1984?

Answer: The U.S. position in the Geneva INF negotiations has the full support of the Atlantic Alliance. Implicit in this question is the issue of whether as a result of these negotiations there is a chance that GLCM bases would not be used. This could happen only if the Soviets agreed to dismantle the appropriate missile systems which they have already deployed in the context of an INF arms control agreement. It may be that, as a result of arms control negotiations, we can reach agreement to reduce significantly the number of INF missiles on both sides, in which case the number of U.S. GLCM flights deployed at each Main Operating Base could be fewer, but the need for the GLCM base itself would remain. By cutting back on base construction, the Committee would be sending a signal both to our Allies and to the Soviet Union that the U.S. is backsliding on its commitment to proceed on schedule with INF deployments in Europe. The governments of the Alliance basing countries would be hard-pressed to continue with their respective INF deployment preparations in light of U.S. cutbacks in its deployment program. Proceeding with INF base construction and missile deployments as scheduled is the best insurance we have that the Soviet Union will agree to an equitable and verifiable INF reduction agreement in Geneva.

Multi-use Facilities

QUESTION: The Authorization Committees recommended that the services begin to consolidate military personnel support facilities such as child care centers and family service centers. It should be expected that a single multi-use facility would be less costly than the construction of several buildings. Are there any multi-use buildings requested in this budget?

ANSWER: Yes. The following consolidated community center (CCC), multi-purpose recreation (MPR), and general purpose auditorium (GPA) facilities are programmed for FY 1984.

Military Construction Army Appropriation

Installation	Project	Cost($000)
Fort Drum, New York	MPR	1,500
Munster, Germany	MPR	1,150
Camp Edwards, Korea	GPA	500
Camp Red Cloud, Korea	GPA	690
Aliamanu, Hawaii	CCC	9,900
Greece	MPR	480
Greece	MPR	620
Turkey	MPR	300
Turkey	MPR	300
Kwajalein	MPR	3,550
	Total	18,990

QUESTION: Are there any requested single purpose support facilities in 1984 for bases which are programmed to receive other support facilities in later years? If so, name them for the record and the planned construction. Provide for the record the justification of proceeding with these facilities at this time instead of merging them into multi-use facilities.

ANSWER: Future construction needs have been reviewed to identify possibilities of combining activities into multi-use facilities to reduce costs. There are no support facilities programmed in later years which are suitable for merger with any single purpose project requested in 1984.

Navy is requesting its first combined Family Services Center and Child Care Center at Naval Amphibious Base, Little Creek, Virginia, in FY 1984 budget.

The following location has a Family Services Center in the FY 1984 budget, with a follow-on support facility in a future year of the Five Year Defense Plan (FYDP): Naval Air Station, Corpus Christi, Texas, Child Care Center in FY 1985 FYDP.

Limited construction dollars and overall Navy priorities made it impossible to budget for additional facilities for this location in the same fiscal year.

The only base which fits into the category you describe is Mountain Home, Idaho. Our projected program there is:

FY 84 - Add to Child Care Center ($560K)
FY 87 - Construct Religious Education Facility ($805K)
FY 88 - Construct Chapel ($1,800K)

The Mountain Home Child Care Center is not being consolidated with the chapel facilities as the former is merely an expansion of an existing capability. We are, however, investigating the desirability of consolidating the FY 87 and FY 88 projects.

Some additional words on the subject of consolidation of this type of facilities are in order. We recognize the possible merits of multipurpose facilities, especially at smaller installations, and share the desire of Congress to achieve economies in construction and operation and at the same time provide better service. Accordingly, we shall seek to combine functions in one facility where it is cost effective and where doing so provides better service to the military member and his or her family.

However, it must be noted that in some instances, the proposed functions are simply not compatible and/or cost effective.

Specifically, child care centers, family service centers, and religious education centers generally have distinctly different functions ocurring at the same time during the week, so separate spaces are required. The child care functions are carried out in space meeting the requirements of HHS and the states. There is a need for kitchens, isolation rooms, playrooms, sleeping area, sprinkler systems in hazard areas, restrooms adjacent to care rooms (fixtures child size), mechanical systems that provide proper temperature 12" from the floor, ramps from the infant rooms, and a fire exit from each care room, and so on.

The family support centers, on the other hand, require space for administrative purposes, counselling, and so on. Included are certain family services for which a less

visible, more confidential environment is desirable than would be found in a large multipurpose facility.

Religious education centers contain space for meetings, religious education, and so on. The meetings include people of all ages of all hours of day and evening. Our religious education facilities are already being shared with other organizations when not in conflict with religious education schedules.

Chapels of course are designed for a specific purpose, worship, and are not designed for multiuse. The administrative space, because of confidential files and daily use cannot be shared with the administrative space of the child care center or family support center.

The key point here is that there could be a minimal amount of shared interior space. Nonetheless, we will continue our attempts on a case-by-case basis to consolidate these functions to the maximum practical extent possible.

QUESTION: What efforts are being made to reduce the cost increases and shorten the construction time of Defense Medical Facilities?

ANSWER: In developing this year's and future programs, we have recognized that significant growth has occurred in medical facilities acquisition costs. To combat these escalating costs, we have undertaken major initiatives to improve the medical facilities acquisition process. To date, we have:

- Streamlined the architect/engineer selection and predesign process to shorten the time needed to design the facility.
- Issued more restrictive design criteria which will reduce construction and eventually operations and maintenance costs.
- Directed the use of an improved construction management system which more effectively controls construction costs.

These efforts have already reduced overall construction costs by millions of dollars. We anticipate the cost avoidance potential of these efforts will continue to significantly reduce future medical facility project costs.

QUESTION: What efforts are being made to provide for sharing of Defense and Veterans Administration medical facilities? When will the Department finalize a plan designed to implement a sharing concept?

ANSWER: The Veterans Administration and Department of Defense Health Resources Sharing and Emergency Operations Act (PL. 97-174) was signed into law on 4 May 1982. This Act requires the Veterans Administration and the DoD to publish within one year, joint guidelines for use of individual facilities in implementing the health resources sharing sections of the act. A joint VA/DoD staff is developing these guidelines which will form the basis for program implementation. A report to Congress will be forthcoming in response to the requirements of the law.

QUESTION: Are there any projects in the FY 1983 program which are slated for construction although design has not been completed. If so, name them for the record and provide justification for proceeding prior to completion of design.

ANSWER: There is one FY 1983 project in this category. The Air Force awarded a cost plus fixed fee contract for the vertical assembly environmental shelter at Vandenberg AFB prior to completion of some design details. This action was necessary to ensure the facility construction schedule was compatible with the space shuttle initial operational capability date.

Overseas Family Housing

Question: Is it still the desire of the Administration to increase the involvement of the German Government in the build-lease program for future family housing requirements?

Answer: The German Government is deeply involved in our build-lease programs as they are in our construction programs. We would anticipate even more involvement in the build-lease programs in support of the personnel relocations as a result of the Master Restationing Plan which will relocate 20,000 Army personnel.

Question: Last year the authorization committee failed to authorized new family housing in Germany and Great Britain because it represented a departure from past policy to meet family housing needs through leasing. What are you requesting in these two countries in FY 1984?

Answer: For FY 1984 our program includes new construction of 550 units for the Air Force in the United Kingdom and 269 units for the Army in Germany.

Question: Why should these projects be approved by the Congress?

Answer: The Authorization Committees failed to authorize these projects for two reasons. First was the perceived high cost for housing units overseas and the second was the reluctance to approve family housing at Ground Launch Cruise Missile (GLCM) sites while talks were ongoing in Geneva. These houses are needed for both existing units in place and for units such as the GLCM which are to be introduced in theater. The actual cost in Germany varies from $79,500 per unit for junior NCO's at Wildflecken to $108,150 per unit for a mix of junior NCO's to company grade officers at Kitzengen. With an area cost factor in Germany of 1.6 these costs equate to $49,700 and $67,600 houses in the Washington D.C. area. These houses then while being expensive, are not being built to any excessive level of quality. The local economy is driving the price. Yet we must provide adequate living conditions for our people and without this housing the people will be forced to live on the economy with its comparable high costs and often severe shortage of available adequate housing. In those cases where economic analysis indicates that build-lease is a more advantageous source of housing, the services will follow that course. As to the effect of the arms limitation talks on the deployment of GLCM, we are rapidly approaching the deployment date and have not yet seen the movement necessary to allow a reduction or elimination of the deployment. A unaccompanied tour because of its short term results in lessened operational capability, creates greatly increased training requirements, adversely affects morale and ultimately results in increased costs. We feel that support of housing at the GLCM sites is a wise decision.

Question: Have you developed a comprehensive policy regarding future family housing requirements overseas?

Answer: We have initiated two actions that will more clearly define the best method to be used to satisfy family housing requirements. First is the introduction of a more comprehensive economic analysis model to determine whether construction or build-lease is the more advantageous method of housing acquisition at any given location. Second is a head-to-head test that will compare costs between a build-lease project and a construction project at the same location. This test, at Wildflecken, Germany, is dependent on FY 1984 approval of the 153 units proposed for construction. The costs for that project will be compared to the costs for an approved 157 unit build-lease effort. We expect that the test will provide a firm indication of the best approach to overseas housing projects and will provide further refinement to the economic model.

RDF Facilities

Question: A total of $841 million has been approved by the Congress over the last three years for access facilities in support of the Rapid Deployment Force. The Department should move expeditiously in completing the priority projects once they are approved. For the record prepare a table which outlines the year each project was approved, the date the project was advertised, the date the contract was signed, the percentage each is complete, the the estimated date of completion.

Answer: Congress has approved $923 million for construction of facilities in the Indian Ocean area to support normal fleet operations and to construct contingency facilities for CENTCOM (RDF) use, including enroute refueling facilities at Lajes, Portugal. Approximately $124 million of the $923 million (FY 1981-1983) provided by the Congress is currently on hold pending receipt from the Host countires of additional assurances that the facilities, when constructed, will be available for the intended use. The following table provides the status of all construction in the Indian Ocean/Persian Gulf areas, both for support of normal fleet operations and for CENTCOM contingency operations:

CONSTRUCTION IN THE INDIAN OCEAN/PERSIAN GULF

FY	LOCATION	FUNDING ($ MIL)	CONTRACT ADVERTISED	CONTRACT AWARD	PERCENT COMPLETE	ESTIMATED COMPLETION
1981	OMAN					
	Khasab	5.0	Apr 1981	Jul 1981	100	May 1982
	Masirah	4.0	Dec 1980	Feb 1981	100	Dec 1981
		76.5	Jun 1981	Sep 1981	60	Sep 1983
	DIEGO GARCIA	13.0	Oct 1980	Jan 1981	85	Apr 1983
		119.0	Nov 1980	Jul 1981	27	Feb 1984
	KENYA	19.1	Jun 1981	Sep 1981	90	Dec 1983
	SOMALIA	.4	Sep 1981	Oct 1981	75	Sep 1983
	PORTUGAL**	20.0				
1982	OMAN					
	Masirah	33.3	Jun 1981	Feb 1982	29	Sep 1983
	Seeb	43.1	Jul 1982	Sep 1982	0	Sep 1984
	Thumrait	2.1	Oct 1982	Dec 1982	22	May 1983
	DIEGO GARCIA	237.7	Nov 1980	Jul 1981	27	Sep 1984
	KENYA	30.5	Jun 1981	Feb 1982	90	Dec 1983
	SOMALIA	24.0	Aug 1982	Apr 1983*	0	Feb 1985
	PORTUGAL**	46.6				
1983	OMAN					
	Masirah	15.5	Nov 1982	Feb 1983	0	Feb 1985
	Seeb	8.0	Awaiting Omani approval of Bidders List			
	Thumrait	36.8	Nov 1982	Feb 1983	0	Feb 1985
	DIEGO GARCIA	57.8	Nov 1980	May 1983*	0	
	KENYA	8.3	Jan 1983	Mar 1983*	0	
	SOMALIA	30.0	Aug 1982	Apr 1983*	0	
	EGYPT***	91.0	Mar 1983*	Jun 1983*	0	

* Estimated date of contract award or inclusion in CPAF contract.

** $34.0 million of $66.6 million on hold pending agreement with Portugal on use to support SWA contingencies. Contract information on remaining $32.6 million currently being developed.

*** FY 1983 Appropriations Conference Committee language requests additional information/action prior to obligation of funds.

Question: Are any of these facilities behind schedule?

Answer: The construction programs at Lajes, Portugal and Ras Banas, Egypt have slipped due to problems with access agreements.

5-Year RDF Plan

Question: The budget before us requests $263 million for construction for access facilities in the Persian Gulf/Indian Ocean region. What future RDF-related construction is planned in the next five years for this region?

Answer: The current FYDP (FY 1984-1988) includes approximately $310 million in additional construction in the Persian Gulf/Indian Ocean region. A major facility study, based on the planned FY 1988 force levels, has been completed by the JCS. This study identified additional construction requirements which will be addressed in the development and approval, by the Secretary of Defense, of the FY 1985-1989 FYDP.

QUESTION: What is the status of the bipartisan Commission's report on the M-X basing issue?

ANSWER: The President's Commission on Strategic Forces has been meeting for nearly three months. They have sought the best available information and technical advice from experts in academia, government, industry, and the military, as well as from former government officials. They are currently considering all of this information and are expected to present their recommendation to the President in April.

QUESTION: When will the Commission report?

ANSWER: The President's Commission on Strategic Forces has been working since January to assess the current status and future direction of U.S. strategic forces. The Commission is expected to make its report to the President in April.

FY 83 SUPPORT FACILITIES

Question: Last year the Conference Committee directed that funds appropriated for M-X support facilities at Hill AFB, Utah, and Newark AFB, Ohio, totaling $16.7 million be withheld from obligation until the President has notified Congress of the basing mode for the missile. Is it correct that these funds have not yet been obligated?

Answer: That is correct.

Question: What is the Department's current plan for obligating these funds?

Answer: These funds will not be obligated until after the President reports again to the Congress on his recommendation. Additionally, before these construction funds can be obligated, the respective facility designs must be completed. These designs will not be initiated until Congress provides approval to do so.

QUESTION: The most recent report of the Joint Chief's of Staff to Congress stated the Trident II (D-5) missile, scheduled to be deployed in the Ohio class submarines beginning in 1989, "will be capable of destroying hard targets...against the entire range of Soviet targets." The Department has testified that the M-X is needed as a counterforce weapon against Soviet hard targets such as ICBM silos. If the D-5 is capable of the same counterforce mission, why is the M-X needed?

ANSWER: There are several factors substantiating the need for Peacekeeper (M-X) as a counterforce weapon. First, critical Soviet hard targets exist today and their number is increasing. We cannot hold these targets - ICBMs, leadership, and command and control - at risk today. This situation creates a serious imbalance between U.S. and Soviet capabilities since they can hold our valued hard targets at risk now. The sooner we redress this imbalance the better off we are. Peacekeeper, a fully developed ICBM nearly ready for flight testing, will be available in late 1986. The Trident D-5 SLBM, not yet developed, will not be ready for deployment before late 1989 at the very earliest.

Second, the ability to strike these hard targets promptly may be critical to war outcome. Typically, ICBMs can launch and strike Soviet targets within minutes of the President's decision to execute the force. [Deleted]. ICBMs are the preferred weapon for the prompt retaliation role.

Third, a major value of the Triad is the hedging its three forces provide. Cross targeting between weapons systems raises damage expectations and provides assurance that critical targets will be destroyed. Therefore, if the D-5 becomes able to provide capabilities similar to Peacekeeper the two forces will complement each other thereby enhancing deterrence.

Fourth, SLBMs have been inherently less accurate than ICBMs and therefore less effective against hard targets. While some project the D-5 to be as accurate as Peacekeeper, this is a significant technological advance [deleted].

QUESTION: Rueters news agency has reported that monitoring of Soviet missile tests have shown that the Soviet missile force is not accurate enough to destroy existing Minuteman silos. Is this a factual report?

ANSWER: No. U.S. intelligence estimates of Soviet capabilities indicate that Soviet ICBMs possess the warhead yield and accuracy combinations to destroy most of the Minuteman force.

QUESTION: I would like to insert in the record an article on this subject which appeared in the Chicago Tribune. I would ask the Department to respond to each of the separate issues raised in the article for the record.

CHICAGO TRIBUNE 2 March 1983 Pg. 8

MX unneeded, intelligence sources say

WASHINGTON (Reuters)—U.S. monitoring of Soviet missile tests has shown that Moscow's nuclear arsenal is not nearly accurate or reliable enough to destroy American missile silos in a first strike, U.S. intelligence sources said Monday.

Contradicting the Reagan administration's case for building costly MX missiles, the sources told Reuters the monitoring showed that Soviet missiles would not be able to wipe out the existing U.S. Minuteman force in the foreseeable future.

A source who has access to and has evaluated the top-secret test data said, "Their accuracy isn't even within the ballpark of being able to launch a first strike against our Minuteman missile silos, not even with their large, powerful warheads."

One of the top private weapons experts, Kosta Tsipis of Massachusetts Institute of Technology, said he is about to issue a study which also concludes that the Pentagon has greatly exaggerated Soviet missile accuracy.

PRESIDENT REAGAN and the Pentagon have warned of a "window of vulnerability" that would allow the Kremlin to launch a first strike with highly accurate intercontinental ballistic missiles, destroying U.S. ICBMs in their silos.

Reagan maintains the controversial, $40 billion MX is needed to match Soviet ICBM accuracy.

A source familiar with the Soviet test data told Reuters it casts doubt on the first strike threat and the need for the MX.

He said the data on all tests since 1978 of SS-18 and SS-19 missiles, the most advanced Soviet ICBMs, had been gathered by U.S. satellites and ground stations that tracked the missiles, some of which were fired from a site in the Soviet Union north of Iran to Kamchatka, Siberia.

ALTHOUGH the precise Soviet targets were not known, he said, intelligence monitoring of their missile telemetry [radio guidance] systems showed the missiles "wobbled" excessively and were too inaccurate to hit close enough to U.S. silos to destroy the Minuteman missiles.

Tsipis said his study, based on public data, concluded that the Pentagon has stated Soviet missile accuracy to be six times better than it actually is.

A Pentagon spokesman, asked to comment on the doubts raised by Tsipis and the intelligence sources about Soviet missile accuracy, said: "The newest version of the Soviet SS-18 is more accurate than our most accurate ICBMs [and] the Soviets today have the potential to launch a first strike."

BUT A SOURCE familiar with the test data said Soviet missiles were probably even less accurate than the data shows. He said this was because of a phenomenon known as "bias," the effects of gravitational fields, snow, rain and wind in the North Pole region, over which the missiles would be fired in an actual attack on the U.S.

WASH TIMES 2 March 1983 Pg. 6

Europe warned to reject missiles

MOSCOW — The Soviet government newspaper Izvestia yesterday sternly warned West European nations to reject NATO plans to station medium-range nuclear weapons on their territory. Comparing the anti-war movement in the West to a hammer and the position of the United States at arms talks in Geneva to an anvil, Izvestia said: "Between the hammer and the anvil is not among the most comfortable places to be."

Egypt explains use of AWACS

UNITED NATIONS — Egypt told the U.N. Security Council yesterday it used American AWACS surveillance aircraft to spot Libyan warplanes that penetrated Egyptian airspace two weeks ago. Libya withdrew its planes after a warning from Cairo, Egyptian Foreign Affairs Minister Kamal Hassan Ali said in a letter to the council. The Egyptian government requested the four planes "in the context of training of the Egyptian armed forces," he said.

Arms talks held in Geneva

GENEVA, Switzerland — U.S. and Soviet negotiators met for two hours and 15 minutes yesterday in their 63rd session at the talks on limiting medium-range nuclear missiles in Europe. Negotiators at the parallel Strategic Arms Reduction Talks on longrange weapons held their 38th session, with the meeting lasting just one hour and 25 minutes.

WASHINGTON POST 2 March 1983 Pg. 21

THE FEDERAL TRIANGLE

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Scientists Oppose Weapons Project

Almost 300 Stanford University scientists have signed a petition to bar a proposed weapons-related project from the Stanford Linear Accelerator Center, a federally funded atom smasher.

The university and the center traditionally have refused to do weapons-related research, but a new project would involve the development of detectors to track X-rays used in the analysis of nuclear weapons tests.

The scientists who want to do the work come chiefly from the Lawrence-Livermore, Sandia and Los Alamos national laboratories. The experiments would be conducted at the Energy Department-backed Stanford Synchrotron Radiation Laboratory, which uses streams of electrons from the linear accelerator.

A spokesman for the petitioners said the professors were concerned that accepting the project would "hurt the image of the lab," which for years has told visitors that it is not involved in weapons development. The issue now must be resolved by the policy committees of the university and the Synchrotron Radiation Laboratory.

* * *

—Philip J. Hilts

WASH POST 2 Mar 83 Pg. 5

Zambian President To Meet With Reagan

SANTA BARBARA, Calif. (UPI)—President Reagan has invited Zambian President Kenneth Kaunda for an official working visit March 30 and Kaunda has accepted, White House officials said today.

At the talks with Kaunda the administration is expected to promote its joint efforts with Canada, Britain, France and Germany for independence for South West Africa and a pullout of Cuban forces from Angola.

Zambia is one of the African states calling for independence for South West Africa, also known as Namibia.

ANSWER: The Reuters article which appeared in the 2 March 1983 edition of the Chicago Tribune is in error. It is the informed position of both the Dept of Defense and the National Intelligence offices that present Soviet ICBM systems have accuracies equal to or in some cases, exceeding U.S. systems. Available Soviet telemetry has not been shown to indicate any systematic anomalies that would result in missile "wobble" as suggested by the Tribune article.

The effects of bias have been addressed on several occasions. While bias exists to some degree, it is both small and already factored into the accuracy calculations used to determine ICBM effectiveness. The oft-referred to gravitational errors associated with missile flights over the North pole have long ago been reduced to near zero. This was done with two decades of careful satellite mapping over the same routes that warheads would fly. Snow, rain, and wind effects (as referred to by the news agency story) are in fact absolutely zero, in keeping with flight profiles in deep space.

In summary, while the various US defense and intelligence agencies are continually reevaluating Soviet military capabilities, there is no indication of any dramatic shift in assessed Soviet ballistic missile accuracy. Kosta Tsipis' conclusions that Soviet ICBMs may be six times less accurate than currently believed have not been supported to date by peer review, nor does the national intelligence community ascribe to them.

M-X DESIGN

Question: Section 113 of P.L. 97-323 prevents obligation of design for site specific facilities for the M-X until all requirements of the National Environmental Policy Act have been complied with. May I assume that no design funds have been obligated at this point?

Answer: No design funds have been obligated.

Question: Will the Department request to move ahead with design after the President makes his next basing mode recommendation or after the Congress has acted on the basing mode issue?

Answer: The Department will initiate a specific design request shortly after the President makes his next basing mode recommendation to the Congress. However, there is no intent to obligate any funds until after the Congress has acted on the basing mode issue.

QUESTION: Last November an M-X Stage II engine failed during tests at the J-4 test cell at Arnold Engineering Development Center in Tullahoma, Tennessee. A subsequent explosion of the remaining solid fuel left from the first test seriously damaged the cell. What are the current plans for refurbishing the J-4 cell?

ANSWER: The J-4 cell will be refurbished by Jun 83 to support future Stage II altitude tests.

QUESTION: Tell this Committee why the engine failed during testing?

ANSWER: The Stage II motor failure was caused by a rapid increase in propellant burning surface area and its associated rise in internal motor pressure. In less than a second the pressure rise exceeded the capability of the motor case, resulting in case rupture and uncontrolled burning. It is postulated that the increase in burning surface resulted from the propellant grain at the edge of the forward fins cracking due to excessive propellant strain during the initial pressurization transient. This could have been caused by failure of the volume between the fins of the propellant and the case to pressurize smoothly due to choking of the gas flow through the annular opening between the igniter and boot/propellant. Subsequently, this cracking exposed unplanned propellant burn surface area, further increasing the motor pressure. A similar failure mode had the potential of occurring in the aft fin area of the motor.

QUESTION: What design changes have been made as a result of the test failure?

ANSWER: The failure analysis indicated that trimming propellant from both the forward and aft dome areas would eliminate the most likely failure method. The propellant trim was accomplished, and on 12 Feb 83 and 19 Mar 83 successful sea level motor firings were conducted. Data from the firings showed that all propellant burn characteristics were nominal, including pressure, thrust, and motor burn time.

QUESTION: Provide for the record a complete list of altitude chamber pre-flight tests which were planned for the Stage II engine prior to the accident.

ANSWER: Five Stage II tests were conducted in the J-4 cell prior to the motor failure on 17 Nov 82 (16 Dec 81, 13 Mar 82, 17 Jun 82, 17 Aug 82, and 21 Oct 82). Two additional Stage II tests were planned to be conducted in the J-4 cell after 17 Nov 82.

QUESTION: Provide for the record a complete list of the pre-flight altitude chamber tests which have been completed or which will be completed prior to first flight on each of the other M-X missile stages.

ANSWER: Eight Stage III and ten Stage IV tests have been successfully conducted in altitude chambers at AEDC. There are no other tests at AEDC planned prior to first flight.

Stage III	Stage IV
27 Jun 81	29 Oct 81
15 Aug 81	11 Feb 82
7 Nov 81	7 Apr 82
27 Mar 82	16 Jun 82
1 Jul 82	16 Jul 82
25 Sep 82	13 Aug 82
5 Jan 83	15 Sep 82
10 Feb 83	15 Oct 82
	10 Nov 82
	16 Dec 82

QUESTION: The Air Force plans to fly the M-X even though the Stage II engine was not tested at altitude in a test chamber as many times as were planned. What evidence does the Air Force have that the Stage II engine is ready for flight in view of the earlier accidents.

ANSWER: The five successful Stage II altitude tests conducted have already provided us with the altitude performance data at the nominal conditions we expect to see for first flight. The failure mode of the FPT-3 motor was not due to anything related to the altitude environment but was most probably caused during the initial pressurization transient. The modification to the motor design can be fully tested through sea level firings. The Stage II program logic which evolved from the FPT-3 failure analysis called for a successful sea level motor firing of the modified propellant grain before commiting to a flight test. Only one test was required since our previous testing demonstrated that all motor objectives had been satisfactorily accomplished to support an early 1983 first flight. Two sea level motor firings of the modified propellant grain have been successfully conducted.

QUESTION: Where there any failures of the other stages during sea level or altitude chamber testing?
ANSWER: There have been no failures of Stage I, III, or IV in sea level or altitude chamber testing.

Threat Simulator Master Plan

Senator Sasser: The Under Secretary of Defense for Research and Engineering recently testified before Congress that last year DoD published the Threat Simulator Master Plan to catalog the deficiency and needs in testing major systems in a realistic threat environment. Does this Master Plan call for new military construction requirements? Please summarize the plan and its requirements as they relate to future military construction programming.
Answer: The Threat Simulator Master Plan (TSMP) was developed to aid in forecasting and planning for threat simulators required for test and evaluation of defense systems. Briefly, the TSMP identifies threat simulator requirements for current and projected defense programs and compares these requirements with plans of the military services for acquisition and operation of such simulators. This comparison provides an insight into which areas require more emphasis or what short falls need to be addressed.

The scope of the TSMP includes ground-based, airborne, and shipborne threat systems which either emit or sense signals in the electromagnetic frequency spectrum. Funds for these simulators are provided primarily from research and development, procurement, or operations and maintenance accounts. The TSMP has not identified any present or future military construction funding requirements in connection with threat simulators.

CHEMICAL WEAPONS

QUESTION: It is my understanding DoD is planning to construct a number of facilities to dispose of aging and potentially dangerous chemical munitions. A facility for disposing of the highly flammable BZ agent is requested in FY 1984. Please describe this request.
ANSWER: The chemical disposal facility programmed for construction at Pine Bluff Arsenal is designed to dispose of the non-lethal incapacitating agent, BZ. These munitions were loaded during the early 1960s making them approximately 20 years old. The nature of these munitions is such that they pose an accidental ignition hazard.

Thus, being both unusable and difficult to store safely, these munitions have been given a high priority for demilitarization. The BZ disposal facility now programmed will be equipped to dispose of bulk BZ, BZ munitions, and BZ contaminated wastes only. The building, support facilities and actual site arrangement are to be constructed so that upon completion of BZ operations, new MCA equipment to demilitarize lethal chemical and munitions stored at Pine Bluff Arsenal can be installed in the building. As presently scheduled, BZ disposal operations would begin during FY 86 and would be completed at the end of FY 88. Installations of equipment to dispose of lethal chemical agents and munitions would require approximately one year. After equipment installation, disposal of obsolete chemical munitions would require two years (FY 90-91). If a decision was made to destroy the bulk chemical agent stored at Pine Bluff, the disposal plant would require an additional retrofit before bulk agent operations could be initiated and completed (FY 93-2nd Qtr FY 95).

QUESTION: It is my understanding that a facility to dispose of M55 rockets on Johnston Island will be requested in FY 1985 and facilities to dispose of M55s at the remaining storage sites will be requested in FY 1986. Please describe these future projects.

ANSWER: Chemical warfare stocks presently stored at Johnston Atoll (JA) were shipped from Okinawa in 1971. These stocks were to have been stored in the Continental United States. However, Congress precluded such storage by the passage of Public Law 91-672 and, consequently, the stocks were shipped to JA for storage. Insufficient igloo storage space at JA necessitated using metal warehouses for temporary storage of some of these stocks. Such inadequate storage facilities and the island's severe environmental conditions have contributed to the rapid deterioration of the JA stocks. In addition, a substantial percentage of the JA stockpile is composed of obsolete M55s.

The Johnston Atoll Chemical Agency Disposal System (JACADS) project will apply the Chemical Agent Munitions Disposal System (CAMDS) technology, as enhanced by CAMDS process improvements, to dispose of all Code H (unserviceable/unrepairable items or obsolete munitions) stocks at JA. The facility will be sized to dispose of the entire Johnston Island stockpile. Criteria development for processes and facilities was completed in August 1982. Process and facility development is ongoing, supporting a programmed FY 85 construction start. Current plans call for designing and building a facility capable of destroying the entire JA stockpile. However, process equipment will be procured only for rockets and landmines. A decision concerning procurement of the balance of the process equipment will be made in FY 84.

The total stockpile of M55 rockets was declared obsolete in 1980. The potential for continued deterioration of these items and increased hazard of leakage is a matter of concern to the demilitarization and ammunition storage communities. This concern is shared by the Department of Army and the Department of Defense, as is reflected by their stated interest in proceeding with an expedited project to dispose of the M55 rocket. This expedited project would include facilities designed to dispose of the M23 landmine. The basic facilities required to dispose of the M55 rocket can be designed at no additional cost to dispose of the M23 landmine. The decision to procure equipment and proceed with M23 landmine disposal is pending Department of Army direction. The expedited M55 rocket/M23 landmine disposal project would use CAMDS technology to dispose of these items at the earliest possible date. The project concept calls for application of process improvements successfully demonstrated at CAMDS. FY 86 Military Construction, Army (MCA) starts are required for three storage sites (Umatilla Depot Activity, OR; Lexington Bluegrass Depot, KY; and Anniston Army Depot, AL) where M55 landmine stocks presently stored at Tooele Army Depot, UT, would be disposed of (using the existing CAMDS facility) in the mid 1980s. Starting in FY 88, the BZ facilities currently planned for Pine Bluff Arsenal, AR, would be modified for M55 rockets/M23 landmines.

QUESTION: What long-range plans does the Department have to dispose of the entire stockpile of those aging chemical weapons?
ANSWER: While the Army has initiated a long-range chemical demilitarization concept study to look at the facilities and resources necessary to demilitarize the entire chemical weapons stockpile, actual chemcial demilitarization operations are limited to chemical weapons which are obsolete or those which have no military utility. Present plans call for demilitarization of BZ and BZ munitions and M55 rockets and M23 landmines which are stored at Johnston Island and in the United States. No decisions have yet been made on the remainder of the chemical stockpile.

QUESTION: What is requested in FY 1984 for improvements in command, control and communications?
ANSWER: In FY 1984 we are requesting $165.5 million of Military Construction funds in the Command, Control and Communications (C^3) area.

QUESTION: What is programmed for Military Construction in the C^3 area in the next five years?
ANSWER: Approximately one billion dollars is programmed for Military Construction in the C^3 area over the next five years (FY's 1984-1988).

QUESTION: In March 1982, DoD completed the North American Air Defense Master Plan. Please describe the military construction requirements outlined in this plan.
ANSWER: The DoD North American Air Defense Master Plan (NAADMP) recommends deployment of improved surveillance systems such as OTH-B and an improved DEW line, modernization of air defense fighters with F-15s and F-16s and procurement of additional AWACS. Total military construction funds to support the NAADMP is approximately $485 million.

MILCON funds of approximately $110.0M are programmed (FY 1983-1988) for construction of five new long-range radar stations for the DEW line improvement program. These stations will support AN/FPS-117 minimally attended radars and associated electronics. MILCON funds currently programmed to support a planned CONUS Over-the-Horizon Backscatter (OTH-B) radar system total $147 million (FY 1983-87). Construction provides for technical and support facilities for east, west and southern coverage systems.

MILCON funding programmed for AWACS totals $106.0 million (FY 1986-1988). These funds will upgrade two northern tier bases to support AWACS deployment for air defense and will increase capacity at Tinker AFB, the main operating base, to handle the additional AWACS.

Joint Surveillance System MILCON for construction, now complete, of five Region Operations Control Centers, totalled $37.8

million. Currently ongoing is construction in Alaska totalling $83.9 million (FY 1982-1983) to upgrade facilities at twelve remote air defense radar sites to support the AN/FPS-117 radars for SEEK IGLOO. The modernization of the air defense fighters will not require military construction expenditure.

QUESTION: Has the United States initiated negotiations with the Government of Canada to seek a share of funding for the defense of the North American Continent? If so, what are the status of these negotiations? If not, when will these negotiations commence?

ANSWER: A U.S./Canada Air Defense Responsibilities Sharing Steering Group was formed in 1976 to negotiate any cost sharing of funding for North American air defense. The Canadian Government is presently funding the CF-18 program and two Region Operations Control Centers (ROCCs) including developmental costs and one hundred percent of construction and operations and support costs. They also are expected to fund any improvements to the CADIN-Pinetree radar system and there is the possibility of cost sharing on the improved Distant Early Warning (DEW) radar system. Although the steering group has been dormant since a June 1982 meeting, following a Defense Research Board action to phase down CADIN-Pinetree, Canada's Minister of National Defence has recently requested of Secretary Weinberger that another meeting take place soon to discuss DEW and CADIN-Pinetree issues.

QUESTION: It has been reported that the Administration will seek a 50-50 split between Canada and the United States for continental defense funds. Is this a correct statement? Please tell us what we are seeking in these negotiations.

ANSWER: We are unaware of any Administration position calling for a 50-50 split. This ratio would not be realistic, considering the ratio of GNPs between the US and Canada is about 10:1. Past cost sharing has been at about 9 or 10 to 1, and we would expect future negotiations on command and control systems (excluding E-3As), ground-based surveillance systems and fighter force structure to be in about the same ratio.

QUESTION: If negotiations are successful, will U.S. funded military construction requirements be reduced? Please discuss these potential reductions from the current five year program.

ANSWER: We do not expect U.S. funded military construction requirements to be reduced. Considering that Canada has fully funded construction of their ROCCs and we would expect them to fund any improvements to CADIN-Pinetree, it seems reasonable that the U.S. would support a major portion of the DEW improvement costs.

QUESTION: What is the status of the plan for Intelligence support to operational commanders?

ANSWER: The Plan for Intelligence Support to Operational Commanders along with the Defense Intelligence Plan have been consolidated into the Defense-Wide Intelligence Plan. Currently, DIA, in coordination with the Services and appropriate Defense Agencies is expected to present it to the JCS by 1 June 1983 with a final version by 1 July 1983.

QUESTION: What new military construction requirements are expected to be identified in this plan?

ANSWER: It is not known at this time whether any new military construction requirements will be identified in the plan, since it is still in draft form.

QUESTION: Each Service has developed electronic combat master plans. What future military construction requirements have been outlined in those documents?

ANSWER: These plans as currently written provide an investment strategy for the development and procurement of electronic warfare and C^3 countermeasures systems. As such, they do not specifically address military construction requirements with one exception, the Air Force plan does discuss EMP hardening of C^3 facilities.

QUESTION: DoD has completed a comprehensive Non-Strategic Nuclear Forces Communications Systems Progress Plan plus specific systems improvement plans. What military construction requirements have been identified by these plans?

ANSWER: Non-strategic nuclear force communications plans do not address military construction funding. These plans are for the communications-electronics capabilities which will be required to provide adequate security, safety, custody and control and employment direction. The funding contemplated by these plans is found in the Research and Development, Operating and Procurement appropriations categories.

DCS MASTER PLAN

QUESTION: In October 1982, the Department completed the first version of the Master Plan for the Defense Communications System. What military construction requirements have been identified by this Master Plan?

ANSWER: No specific military construction requirements have been identified by the Master Plan for the Defense Communications System. The Plan covers a 10-year planning horizon from FY 85-95. Volume I provides very broad guidance. Volume II, which is still in preparation, will provide more detailed planning and programming considerations, but will still not detail specific program requirements. The Services and Defense Agencies will use the Master Plan to develop the program necessary to reduce the broad planning guidance to specific requirements. Military construction needs will be addressed as a part of that process, which we anticipate will begin to be reflected in the FY 85 budget submission.

BALLISTIC MISSILE DEFENSE

QUESTION: Are there any funds requested in this bill in support of developing a ballistic missile defense system? If so, please describe it for the record.

ANSWER: The fiscal year 1984 military construction request contains no funds for development of a ballistic missile defense system.

QUESTION: In Fiscal Year 1982 what amount of military construction funds were obligated inside the continental United States? How many man-years of employment were provided? Please provide the same estimates for Fiscal Year 1983 and Fiscal Year 1984.

ANSWER: In Fiscal Year 1982 approximately $2.2 billion in military construction funds were obligated inside the continental United States. We estimate this construction provided about 77,000 man-years of direct employment in construction and other industries which produce the materials and equipment used in the construction. For Fiscal Years 1983 and 1984, we estimate that $2.5 billion and $3.2 billion, respectively will be obligated for military construction projects inside the United States. This should result in approximately 87,500 and 112,000 man-years of direct employment in Fiscal Years 1983 and 1984 respectively.

DESIGN STANDARDS FOR BACHELOR ENLISTED HOUSING

QUESTION: The Authorizing Committee has urged standardization of design for bachelor enlisted housing for all Services. Such a proposal on its face sounds reasonable and prudent. However, there have been reports that the new design will increase the cost of construction by $500 to $600 per person. Why has the effort to standardize design in the manner requested resulted in such an increase in costs?

ANSWER: The current DoD criteria for barracks calls for a standard room of 270 square feet of living area. To this standard room we assign three persons from the lower enlisted grades (90 square feet per person); two persons from the middle grades (135 square feet per person) or one person from the higher grades (270 square feet per person). The guidance from the Armed Services Committees requires a 180 square foot standard room for two persons from the lower grades. This would provide the same living area these persons now receive (90 square feet) without substantial change in cost. However, in order not to reduce the space that we provide for the middle grades, they would be assigned one to a room, increasing their living space from 135 to 180 square feet. Higher grade persons would be assigned two rooms each thereby increasing their living area from 270 to 360 square feet. We have been informed that the Armed Services Committees did not intend us to reduce the space provided to any person and concurs with the increased space for the middle and higher grades.

SUBCOMMITTEE RECESS

Senator MATTINGLY. Since there is no further business today, the subcommittee is going to adjourn until tomorrow, Thursday, March 10, 1983 at 8 a.m. in room SD-192 in the Dirksen Building.

We will receive testimony on the overseas construction program. Thank you.

[Whereupon, at 9:45 a.m., Wednesday, March 9, the subcommittee was recessed, to reconvene at 8 a.m., Thursday, March 10, 1983.]

MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1984

THURSDAY, MARCH 10, 1983

U.S. Senate,
Subcommittee of the Committee on Appropriations,
Washington, D.C.

The subcommittee met at 8:05 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

DEPARTMENT OF DEFENSE

Deputy Assistant Secretary of Defense for Installations

STATEMENT OF HON. ROBERT A. STONE, DEPUTY ASSISTANT SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE

ACCOMPANIED BY:

ROBERT J. LANQUE, DIRECTOR, NATO AND FOREIGN PROGRAMS, OFFICE OF THE DEPUTY ASSISTANT SECRETARY OF DEFENSE

PHILLIP R. MAYHEW, DIRECTOR, NEAR EAST AND SOUTH ASIA REGION, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

RALPH JEFFERSON, DEPUTY PRINCIPAL DIRECTOR FOR EUROPEAN AND NATO POLICY, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

MAJOR J. MAHONEY, STAFF OFFICER, OFFICE OF THE ASSISTANT CHIEF OF ENGINEERS

COLONEL ROBERT J. ISAAK, CHIEF, REGIONAL PLANS BRANCH, ORGANIZATION OF THE JOINT CHIEFS OF STAFF

OVERSEAS CONSTRUCTION

Senator Mattingly. The subcommittee will come to order.

Because of the areas to be covered by the testimony during the hearing this morning, we will have to hold the hearing in executive session.

I would ask that our witnesses from the Defense Department ensure that all of their personnel are properly cleared for this hearing, and I have been assured by my staff that our people are cleared.

Voice. We are all clear.

Senator Mattingly. Good.

Today's hearing is being held to discuss overseas construction as proposed in the military construction budget for fiscal year 1984.

I want to welcome our witnesses, Mr. Robert Stone, Deputy Assistant Secretary of Defense for Installations. As we go along in the hearing it would be helpful, Mr. Stone, if you introduce the appropriate members of your staff who will provide the briefings.

BUDGET REQUEST

The request for overseas construction this year amounts to $2 billion. This figure is nearly 20 percent of the total request for military construction.

Obviously, the projects requested by the Defense Department support our worldwide strategy and commitments by the United States which directly involve our national defense policies.

However, as you are all aware, the Congress has become more and more interested in the amount of support received from our allies as we go forward with new basing initiatives in such strategic locations as the Indian Ocean and the Persian Gulf.

I look forward today to receiving your testimony as it will provide the subcommittee with information on the so-called burden sharing by our allies. We will also be briefed on our policy regarding basing in the Middle East and on the NATO infrastructure program.

Let me say that I believe the overseas construction will probably be carefully reviewed this year more than in past because our members are so very interested in insuring the American taxpayers that the dollars spent on defense are indeed providing our most vital requirements.

With our own economy only just beginning to recover and unemployment still at all-time high, there is a valid concern that we spend these defense dollars here at home where we might generate some employment and keep the money in the economy.

I make this statement to put the Department of Defense on notice that it must fully justify each project requested at an overseas location as they will compete for limited resources.

With that in mind, I think we are ready to begin with our testimony and briefings.

Mr. Stone, again welcome, and proceed when you are ready.

INTRODUCTION OF ASSOCIATES

Mr. **Stone**. Thank you, Mr. Chairman.

I am ready now.

Senator **Mattingly**. At 8 a.m. you have to be. [Laughter.]

Mr. **Stone**. Let me start off by introducing my colleagues. On your right is Mr. Ralph Jefferson from the Office of the Secretary of Defense. He is the Principal Director for Europe and NATO Policy.

Next to him is Mr. Phillip Mayhew from the Office of the Secretary of Defense. He is the Director of the Near East and South Asia Region.

On my right is Robert Lanoue who is the Director of NATO and Foreign Programs.

The briefings later will be given by Maj. Kevin Mahoney of the U.S. Army who is going to present a briefing on host nation support and burden sharing, followed by Col. Robert Isaak from the Organization of the Joint Chiefs of Staff who will give you a briefing on our Southwest Asia strategy.

Go ahead and ask questions any time you want.

I have a short formal statement that I would like to submit for the record and just make some short comments.

Senator MATTINGLY. That would be fine.

BURDEN-SHARING BY ALLIES

Mr. STONE. I am pleased to have the opportunity to testify today on military construction overseas and on burden sharing. It is a very importnt subject to the Department of Defense.

Our overseas request, you set at $2 billion. That is right. It is very big. Two-thirds of it is in Europe and it is an important matter to the Defense Department as to how our allies are sharing the burden.

Our assessment is that as a group the allies are doing a great deal to share the burden, but they need to do more, especially Japan.

The briefing to follow me will tell you, I hope quite plainly, about the things they are doing, but our assessment is that they need to do more, just as we need to do more, to counter the growing threat of an expansionist Soviet empire.

But the fact that our allies need to do more ought not to slow us down. We are the leaders of what is a collective alliance. We have to set an example for our allies and press them to follow it. We are setting an example. We are pressing the allies to follow it. We are getting a great deal of help from the Congress in making clear to the allies that they need to follow it, and we are beginning to see some encouraging signs that they are prepared to follow our example.

EUROPE

Let me talk about Europe very briefly. I am not going to try and justify the projects we are after. I understand you have hearings with the military departments that can give you a lot of details. So forgive me for just brushing over a very large request that is made up of a lot of individual projects.

In Europe we satisfy our facilities needs three ways.

There are projects that are built by NATO infrastructure, which is a common fund that is contributed to by all the NATO allies. It builds projects that tend to be of multinational use rather than single-nation use.

There is construction funded by the United States and there is construction funded by host nations. I would like to touch briefly on each of those.

NATO INFRASTRUCTURE CONTRIBUTIONS

We are asking for $150 million this year for our contribution in NATO infrastructure. It is a very good deal for the United States. We pay 27 percent of the cost and we get about 45 percent of the benefit.

We have been trying to increase the amount of infrastructure funding annually for several years now, and there has been a bit of a scrap within the Alliance. Mainly Germany has resisted increasing the commitment because of its own economic problems.

We have recently gotten very encouraging signals from the new German Government that show a willingness to support a $475 million increase in the next 2 years.

Senator MATTINGLY. That $475 million is divided by two then? In other words, it is for two different years?

Mr. STONE. Yes; it is divided by two and that would be the NATO share. The Germans are willing to pay 26 percent of that. The United States would pay 27 percent and the other allies would pay the other 47 percent.

PREFINANCING OF PROJECTS

Meanwhile, some of the projects that are eligible for infrastructure are so urgent that individual NATO countries prefinance them. Prefinancing means that we pay the bills and send them along to NATO and hope and trust that they will reimburse us for it.

It is a common practice within NATO. Last year there were 400 million dollar's worth of prefinanced projects, but not one prefinanced by the United States. The United States used to prefinance, but in recent years only the allies have been prefinancing.

This year we are making two major prefinancing proposals. We are asking for $110 million for airfield facilities that are eligible for ultimate funding by NATO. These are a good deal for the United States. For the most part we are talking about colocated operating bases, that is bases which somebody else uses in peacetime and we plan to use in wartime.

The reason it is a good deal is that all we have to do is build parking areas, fuel storage, and ammunition storage. That is what our NATO infrastructure investment is in peacetime.

In a crisis we get to use not only these facilities we have built, but all of the other facilities at the airfield, the runway, the control tower, the barracks, and the maintenance facilities.

The Air Force has estimated that there is about a 10-to-1 cost advantage in this kind of operation building only minimum essential facilities at colocated bases.

So we are proposing to prefinance 110 million dollar's worth of airfield projects and we are trying to get NATO funding as early as we can. We are also proposing $44 million to build a fuel facility in Iceland which is badly needed to support our whole North Atlantic strategy, which wheels around Iceland.

With respect to U.S.-funded construction, there is some detail in my statement, and the services will give you more detail, on the $1.1 billion that I haven't mentioned.

HOST COUNTRY FINANCING

The third way to get facilities in a host country is through host country financing. We are negotiating with the German Government over payment for the master restationing plan. This is our plan to move three Army brigades forward close to their wartime positions.

It is a top priority of the Reagan administration to get the German Government to pay a sizeable part of the bill for this. We have had several high-level meetings with the Germans involving the Secretary of Defense, the German Minister of Defense, and lower level officials of both countries.

We are slowly making progress. We are hopeful about getting eventual German funding. There is no money in the U.S. budget request for these facilities. We are actually planning to have German funding and our 5-year program assumes that we will start getting German funding in 1985.

There is a lot more in the briefing about what the host nations do, so I won't touch on that any more.

QUALITY OF LIFE FOR OVERSEAS PERSONNEL

Mr. Chairman, yesterday you remarked at the military construction overview hearing that there were no committee members from Germany, and that the lack of any members of the committee from Germany might influence the ultimate outcome of our request. In a sense I figure maybe that is my job—to act as though I were a committee member from Germany. If I were, I would tell you this:

First of all there are a lot of Georgia boys over there and a lot of boys from every place else in the United States. We sent them over there to defend our borders and we need to take care of them.

There has been a lot of talk in the last couple of years about quality of life for the Armed Forces. I think it is an unfortunate term. When I talk about my own quality of life I wonder about whether I should keep driving my 1977 Le Sabre or get a new car, and whether I should expand my dining room.

When we talk about quality of life, overseas, it just isn't anything like that. We are asking for family housing, a physical fitness center, dependent schools, and some other projects like this that sound to all the world like frills. In fact, they sound so much like frills that this committee last year deferred action on a lot of projects in that category.

KITZINGEN, GERMANY HOUSING SITUATION

The fact that they are not frills came clearest to me a few weeks ago when I visited Kitzingen, which is a small German town of about 8,000 with 12,000 Americans living there. We have some construction projects in this year's budget for Kitzingen. It is the home of a brigade of the Third Infantry Division and division artillery, about 5,500 soldiers.

The assistant division commander took me around this base and he told me his first priority, like the first priority of General Kroesen, is family housing. Family housing sounds like something we can defer, and we did defer it last year. We didn't get any family housing for Germany.

The general gave me his numbers like this. Out of his 5,500 military he has 2,000 that are eligible for family housing. Ineligibles include all the young soldiers, the people that are in grades E–1 through E–4 or so. So he is only talking about senior people being eligible. He has 2,000; 1,500 of them are living in Germany with their families and 500 are living in Germany without their families. Their families are back here.

Several military commanders have told me that this family separation, for instance a 35-year-old sergeant in Germany with his wife and three kids in Georgia or some place else, is responsible for broken homes, alcohol and drug problems, disciplinary problems, and maybe all of those. You can bet that it is likely to happen to most, if not all, of those 500 people. That is why senior generals say family housing overseas is their No. 1 priority.

At Kitzingen they have two gymnasiums for 5,500 combat soldiers. These are people that we are trying to keep in fighting trim, and our war-fighting capability depends on their being physically fit.

I visited one of the gyms that has a single basketball court and they run it 24 hours a day. The soldiers play basketball at 3 o'clock in the morning because that is the only time they can get into the gym.

I visited the child-care center. It is in the process of being expanded and when it is expanded it will have the capacity for 88 children in an American community of 12,000 people. It was really awful. The general dragged me through there. It was a crowded room, very run down, and there were babies all over the floor. It didn't look like anything so much as a kennel, rather than a place to keep children.

When we talk about quality of life and when we say we need family housing or physical fitness centers, or child-care centers, this is what the stakes are as we see them.

The general told me that he thought that if we failed to provide adequately for the soldiers, we were likely soon to face the poor personnel conditions that we faced in the 1970's.

Well, I thanked the general for showing me around and I asked him, "How do I get the story across to the Congress?" He said, "Why don't you try an analogy. When you testify suggest this analogy. Suppose that the Congress met in Bonn and the sessions were 3 years long and the Congressmen couldn't bring their families with them. They had to leave their families back in the United States and they lived with three other Congressmen in a 12-by-12 room. Ask them if that would be a good life for them, and how many of them would run for re-election."

Well, I didn't know whether to propose that analogy in my testimony or not.

Senator MATTINGLY. They could move to the Hart Building I guess. [Laughter.]

Mr. STONE. Well, let me slip out of my assumed role as pretend committee member from Germany. I have tried to represent the interest of the Georgia boys and the others that are stationed overseas as well as they could be represented by a real committee member. I know I am far from being anywhere that effective, but I hope I have given you just a little bit of justification for supporting our $2 billion request for overseas construction.

Thank you, Mr. Chairman.

If you want to ask questions now, it is your choice. Otherwise, we will go into the briefings.

[The prepared statement of Robert A. Stone follows:]

PREPARED STATEMENT OF ROBERT A. STONE
DEPUTY ASSISTANT SECRETARY OF DEFENSE
(INSTALLATIONS)

Mr. Chairman and Members of the Committee:

I am pleased to have this opportunity to appear before your Committee to discuss that part of the Department of Defense Fiscal Year 1984 Military Construction Program dealing with overseas construction. I will also discuss Allied burdensharing efforts, the NATO Infrastructure Program, and ongoing actions by host nations to provide facilities support for U.S. forces.

For Fiscal Year 1984 we are requesting appropriations for military construction of $6.3 billion, of which $2.0 billion is proposed for construction overseas. The budget proposes a number of important projects in support of our worldwide strategy and commitments.

Europe	$1,356 million
Southwest Asia	256 million
Far East	349 million
Atlantic/Central America	47 million
TOTAL	$2,008 million

BURDEN SHARING

Allied nations are carrying a sizeable share of the common defense burden in terms of manpower, provision of real estate, facilities and services for U.S. forces, and the political and social costs of accommodating foreign military forces. Following my statement we will present a briefing on burdensharing which will show this graphically.

We believe our Allies must do more, even as we must do more, to defend ourselves against a growing military threat from an expansionist Soviet empire. As leaders of the community of free nations we must set an example for our allies, and press them to follow it. We are pressing them, and we are seeing some encouraging signs that they are prepared to follow.

EUROPE

Our European construction requirements are met in three ways: NATO infrastructure; our U.S.-funded military construction; and facilities provided by host nations. The budget proposes $1,356 million in appropriation for construction in Europe.

NATO Infrastructure Program

Infrastructure is NATO's commonly-funded military construction program, which provides facilities for the support and joint training of all NATO-assigned forces. Funding is generally limited to the minimum required for wartime operations. Typical of the projects eligible for NATO funding are airfield and naval base facilities, POL storage and pipelines, communications, and war reserve materiel storage. The U.S. pays about 27 percent of the total costs, but about 45 percent of the construction supports U.S. forces. Our total FY 84 requirement to meet the estimated U.S. share of the program is $300 million, but we are requesting appropriation of only $150 million because of the carryover of prior year funds.

Infrastructure is experiencing a critical shortage of funds in this final year of a five year funding cycle. For the past two years we tried unsuccessfully to get German support for increased infrastructure funding. However, with the recent change of government in Bonn, there was an immediate change in attitude, reflected in their willingness to contribute to a $475 million increase in the current fund ceiling.

This is a very positive step on the part of Germany - particularly since Germany is the second highest contributor (26 percent) to the program. The Germans have also suggested that a substantial part of any additional funding go to support U.S. reinforcements for NATO. In view of the recent German initiative we are optimistic for an agreement by all the nations very soon.

Prefinancing

Prefinancing means building with national funds projects that are eligible for infrastructure, then billing NATO for reimbursement. NATO's programming procedures are lengthy and involved, so countries often prefinance when projects are needed faster than the NATO process can provide them. Countries also prefinance when scarce NATO funds cannot accommodate all essential infrastructure requirements. Our NATO allies last year prefinanced over $400 million of infrastructure construction - all of which is available for common wartime use - while we did not prefinance any NATO- eligible projects.

Our FY 84 prefinancing proposals are justified in light of their operational importance. The Air Force requires $110 million for airfield facilities in support of tactical air reinforcements. The Navy is proposing to prefinance the 50 percent NATO share of a jointly-funded $44 million fuel facility in Iceland. These are key construction requirements for the U.S. in supporting America's foreign policy, and need to be implemented. We are optimistic about the prospects of early recoupment beginning in FY 85, when the new NATO multi-year funding cycle begins.

Military Construction (U.S. Funded)

Improving working and living conditions for our troops is a priority goal in Europe. We are requesting $135 million for family housing. The lack of family housing is one of the principal reasons for problems with morale, readiness, and retention. Many of our married enlisted people are assigned to bases where the wait for quarters is well over one year, and where off-base housing is very difficult to obtain. In the absense of adequate housing, we must send the service member over without his family, who must wait for six months to a year to join him. These enforced family separations create emotional and financial hardships for our troops, and disciplinary problems for their commanders. Base commanders report that many enlisted persons and senior NCOs elect shorter, unaccompanied tours, leading to readiness and training problems because of high turnover rates. I urge the Committee to support our request for housing construction so that we may alleviate some of the worst conditions of enforced family separation.

Army. The Army continues to devote much of its European construction budget of $382 million to correcting poor working and living conditions. Family housing requirements in Germany and Italy total $25 million. Construction is also proposed to support new weapons systems deployments such as the M-1 tank, the multiple-launched rocket system , division air defense gun (DIVAD), and the Patriot missile. There is $19 million for security improvements at U.S. nuclear weapons storage sites throughout Europe. We are attempting to have these security projects made eligible for NATO infrastructure funding, and NATO is currently considering our request.

Since last year, we have made significant progress with the Germans on the Army's Master Restationing Plan, which would move three Army brigades forward into new facilities. This program is a top priority initiative of this Administration, and its importance has been communicated to the highest levels of the German government by senior U.S. State and Defense Department officials. Meetings between our delegation and those in Bonn are frequent and we are hopeful about getting the German government to share the cost of the new facilities. The projects in this year's budget at two of the restationing sites are not related to the MRP but rather support existing units.

Navy. The Navy is requesting $152 million for a number of priority operational requirements, particularly in Iceland and Italy. I have already mentioned our $44 million project to construct a fuel pier in Iceland. Wartime as well as peacetime air defense and surveillance operations from this strategic area are dependent on adequate stocks of prepositioned fuel. In Italy we are requesting $35 million to buy out housing leases. This will be a long term saving for the U.S. Additionally, there are a number of projects at Sigonella, Sicily, the Navy's primary Mediterranean base.

Air Force. Air Force requirements total $489 million, of which $148 million is for base support facilities at five Ground Launched Cruise Missile sites. Additional funds are also requested for family housing at the site in Greenham Common, England and for dependent schools at Comiso, Italy, Greenham Common, and one other GLCM site. We're asking only for base support facilities because NATO allies are paying for all the operational facilities for GLCM through the Infrastructure program. We need to proceed with construction as scheduled to convince the Soviet Union that we will continue with deployment unless an equitable and verifiable INF reduction agreement is reached in Geneva.

I have mentioned the Air Force request for $110 million to prefinance projects for which we will seek recoupment from NATO. They include $66 million in Turkey to upgrade existing airfield facilities and to construct a new airfield at a forward area which not only will allow for the beddown of our reinforcements committed to NATO but could also serve to deter possible Soviet expansion into the Middle East and Southwest Asia.

Additionally, $44 million would provide dispersed parking and fuel and ammunition storage at nine air bases that are used by host country aircraft in peacetime. Constructing these minimum essential facilities is particularly cost effective, since we get to use $10 worth of facilities in a crisis for $1 invested in peacetime. Constructing these facilities will allow seven days of combat operations for some of the 1600 NATO-assigned U.S. reinforcement aircraft. We expect some funding of these kinds of facilities in FY 84 if the Allies agree on the supplemental funding request.

Other European Host Nation Efforts

The Allies continue to provide a wide range of support for U.S. forces in Europe, including real estate, utilities, roads, and the use of excess facilities. Agreements have been concluded with eight NATO nations for the wartime use of facilities at over 70 airfields. In addition to continuing negotiations with the Germans on the Master Restationing Plan, discussions continue with other Allies in developing arrangements for the provision of facilities, support personnel, transportation assets, maintenance and storage.

PACIFIC

Our Pacific area and Far East construction request totals $349 million, as follows:

Korea	$143 million
Philippines	$ 59 million
Guam	$ 51 million
Japan	$ 47 million
Various	$ 49 million

Key projects in support of forward basing in the Pacific include an ammunition wharf and avionics facilities in Guam, family housing in the Philippines, airfield and POL improvements on Okinawa, and airfield upgrades in Japan to support new tactical aircraft deployments. The construction request in Korea includes a wide range of facilities, including tactical equipment shops, physical fitness centers, medical facilities, and $83 million for unaccompanied personnel housing.

Over the last several years the Japanese and Korean Governments have been paying for facilities to support U.S. forces. Each year we ask those governments to fund specific projects needed to support existing or planned forces. The types of projects selected for host nation funding depend on the general guidance received from the host governments: In Japan the projects normally involve personnel support, environmental projects, and family housing; the Koreans prefer to fund operational facilities. For CY 1983 the Japanese are expected to fund $290 million and the Koreans $61 million of our construction requirements. Over the last four years Japan has paid $586 million for U.S. facilities, against $111 million paid by the U.S. In addition to paying for construction, the Korean Government supports U.S. combat troops by providing support personnel and transportation.

SOUTHWEST ASIA AND INDIAN OCEAN

The proposed FY 84 construction program for Southwest Asia is needed to support contingency operations by the Rapid Deployment Force and to improve the readiness of our naval units in the Indian Ocean.

Construction totalling $256 million is required for additional contingency facilities in Egypt and Oman, and for completing operational facilities on Diego Garcia. The additional construction in Egypt, combined with improvements funded in FY 1983, will provide the initial staging capability at Ras Banas that is essential to our Southwest Asia strategy. Although $91 million was appropriated in FY 83 for construction at Ras Banas, Congress restricted obligation until a number of conditions were met. Secretary Weinberger has informed the Committee Chairman that the conditions have been met and we are now moving ahead. The final stage of design is near completion and contract award should be possible in May. Continued development of contingency facilities in Oman will increase our capability to respond militarily in this area.

CONCLUSION

Our construction request serves to improve the readiness and efficiency of our military forces overseas by providing needed improvements to working and living conditions. It also provides facilities to support combat forces and weapons systems deployed overseas as part of our stated foreign policy. Our construction supports our capability, in conjunction with the forces of the Allies to deter the Warsaw Pact threat. In Southwest Asia, U.S. interests focus on ensuring Western access to oil, preserving regional stability, and restricting Soviet influence in the area. Construction in the Pacific and Far East increases our capability to maintain our sea lines of communication and provide early warning and surveillance.

We solicit your support in this effort.

DEFERRED PROJECTS

Senator **Mattingly.** I would just like to clarify a point for the record, that last year in fiscal year 1983 we deferred projects last year only because of budgetary restraints that are being caused by the DOD itself offering up Milcon as a place to cut defense spending. They set the priorities.

Also, I think we must add that most of the projects that were deferred were put back in during our conference on the bill. So it wasn't the Congress who came up with the elimination of the projects or the prioritization. It was the Department of Defense. I think I would like to have that clarified for the record there.

I will add once again, as we said yesterday, that if the Department of Defense and the administration would come out and oppose the Davis-Bacon Act and help us get a repeal we could probably build more family housing overseas and we would have more money in the budget. I just thought I would throw that in for you.

Mr. **Stone.** Yes, sir; if Department of Defense projects didn't have to be built by Davis-Bacon rules it would save $400 or $500 million a year. That is correct.

But let me go back. The issue where we see it and where Secretary Weinberger sees it is the boys over in Germany oughtn't to be at the long end of that chain that gets yanked around over the argument with Davis-Bacon.

Senator **Mattingly.** I don't think that is the point. The point is that we need money to build those facilities. Now if we can get more money by elimination of a tool that is now antiquated we could build more in Korea and Germany and in every other place. I think it is absurd that we condone something that is in fact costing us more money. Yesterday I think you and I sat there and figured it out, how many more additional housing units that we could procure just in the United States based upon that, and it is a lot.

Mr. **Stone.** It is a lot.

Senator **Mattingly.** I hate to sit up here carrying the water all the time. It would be nice if we were joined by the Department of Defense and the administration on that. I will not let that issue go away, I can assure you, and every day I hold a hearing I am going to bring it up and I hope the message gets back somewhere.

Now I will let you go ahead with your briefing here because I do want to see the rest of it because I want to see the men that we have got from Georgia overseas. You know, you may have boys from other States, but we will see the men from Georgia. [Laughter.]

Mr. **Stone.** I thought once a Georgia boy, always a Georgia boy.

Senator **Mattingly.** I won't get into that right at the moment. [Laughter.]

Mr. **Stone.** Thank you, Mr. Chairman. I hope you can help us.

This is Maj. Kevin Mahoney who will give the briefing on host nation support.

Major MAHONEY. Good morning, sir. I am a soldier from Florida. [Laughter.]

HOST NATION SUPPORT (BURDEN SHARING)

CONGRESS RECOMMENDED DOD PURSUE FOUR AREAS OF HOST NATION SUPPORT

Increased support for unaccompanied housing, family housing, and operational facilities in NATO countries, Japan, and Korea.

Funding commitment from the Federal Republic of Germany for the master restationing program in Germany.

Specific increases in host nation support to offset U.S. construction costs associated with the Persian Gulf construction program.

Increased emphasis on peacetime host nation support.

Sir, this briefing is a Department of Defense overview. Last year the Congress, specifically the House Appropriations Committee in its report on the 1983 military construction bill, recommended that the Department of Defense pursue these four areas of host nation support to reduce U.S. costs associated with the maintenance of large numbers of U.S. troops and dependents stations abroad.

The successes we have achieved result from status of forces agreements called SOFAS, other treaty obligations and agreements and as a result of congressional direction.

PURPOSE

PROVIDE STATUS OF HOST NATION SUPPORT/BURDEN SHARING EFFORTS BY UNITED STATES

The purpose of this briefing is to report on the status of host nation support.

HOST NATION SUPPORT (HNS)

DEFINITION

Civil and military assistance rendered in peace and wartime by a host nation to allied forces/organizations which are located on host nation territory.

In addressing these specific areas, we find that limiting our efforts to just facilities alone is unwise because the measure of facilities support alone is not necessarily reflective of the totality of host nation support as defined here.

Furthermore, we have to keep in perspective the various political and military limits within which host nations must operate and the fact that host nation support consists of tangible, intangible, quantifiable, and nonquantifiable elements.

HOST NATIONS

NATO ALLIANCE

Germany; Italy; Greece; Turkey; United Kingdom; Japan; Belgium; Netherlands; Luxembourg; Korea.

The majority of our military population overseas is located in the countries shown here, most of which are members of the NATO alliance. Of these, the greatest concentrations are in Germany, Japan, and Korea. This presentation focuses on the NATO alliance and these three countries where almost 70 percent of the overseas military population is stationed.

NATO INFRASTRUCTURE

Common infrastructure funds can be used to build facilities which are: Operational; Joint use or of common interest; For units under NATO command in war; Covered by criteria established in one of 14 categories.

Before examining country specific host nation support, let's review the NATO infrastructure program. NATO infrastructure is defined here.

NATO ELIGIBLE CATEGORIES

1. Airfields.
2. Communications.
3. Petroleum oil and lubricants.
4. Naval bases.
5. Warning installations.
6. Training.
7. War headquarters.
8. Surface to air missiles.
9. Forward storage sites.
10. Ammunition storage.
11. Surface to surface missiles.
12. NATO air defense ground environment.
13. Reinforcement support.
14. Other.

The categories eligible for NATO infrastructure are shown here. The determination of how much each nation contributes to the infrastructure fund is based on a complex formula.

COST SHARING FORMULA

Country:	*Percent*
Belgium	5.59
Canada	6.36
Denmark	3.73
Germany	26.54
Greece	.79
Italy	7.99
Luxembourg	.21
Netherlands	5.14
Norway	3.14
Portugal	.20
Turkey	.81
United Kingdon	12.08
United States	27.42
Total	100.00

The percentage which each nation contributes is shown here.

In terms of NATO infrastructure which results in military facilities, the United States is contributing 27.42 percent——

Senator MATTINGLY. Let me see that other slide again. What is this now?

Major MAHONEY. That is the percentage which each NATO-member country contributes to the infrastructure fund. We contribute 27.42 percent of the total.

Senator MATTINGLY. Is that based on their GNP's?

Major MAHONEY. Sir, it is based on a very complex formula that I am not smart enough to understand.

Senator MATTINGLY. Congress wants to know how they do that to see that we are getting our fair share.

Go ahead. Excuse me.

Major Mahoney. The United States is contributing 27.42 percent of the funds in the program, while normally receiving more than 40 percent of the facilities constructed either for sole U.S. use such as the following slide showing A POMCUS facility or for joint use.

SLIDE 1

SLIDE 2

The above slide shows the Naval Air Station at Sigonella, Sicily.

When the United States first participated in the program in 1951, our contribution was 44 percent. Thus, we have achieved an increasingly favorable cost-benefit ratio over time. We expect the current U.S. cost share and facilities share to remain stable.

HOST NATION SUPPORT FOR NATO PROJECTS

Land; access roads; utilities—total average contribution 13 percent.

In addition, each NATO host nation contributes to NATO, without cost, the land, access roads, and utilities required for facilities constructed with NATO infrastructure funds and usually subsidizes the design cost to a certain extent. Historically, these contributions have averaged 13 percent of the project cost.

Since 1980, NATO has taken a series of planning measures to compensate for a U.S. force deployment in the event of a contingency in Southwest Asia. These measures are known collectively as post-Afghanistan NATO defense measures, phases I and II. Although there are no specific facilities offsets included in these measures to directly compensate for the U.S. unilateral Southwest Asia construction program, U.S. access to NATO facilities throughout the alliance, and in particular those in the Mediterranean, has not been impeded as evidenced by our use of these facilities in recent exercise deployments.

This program is especially significant because it commits NATO resources to counter a threat outside the alliance and sends a clear signal to Warsaw Pact and Soviet decisionmakers.

Currently, NATO is studying the impact on the alliance of a diversion to Southwest Asia of some U.S. reinforcements for NATO.

The study is to be completed this spring and will recommend specific gap-filling actions which the allies could take.

It will then be necessary to work as many of these recommendations into national force goals as other competing priorities will permit.

In summary, sir, we are receiving considerable support from NATO in a variety of ways, but especially in terms of facilities, as shown here. That is our calculation of the return on our investment in NATO infrastructure.

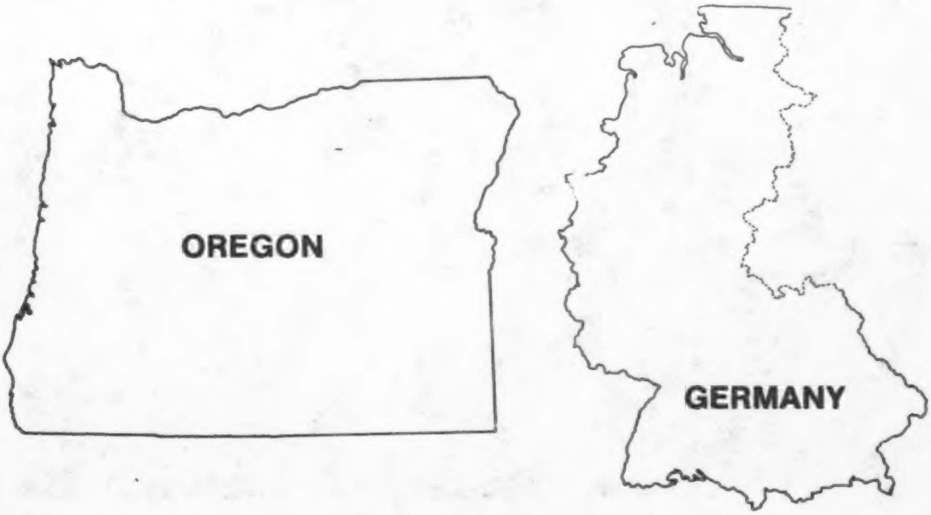
NATO

HOST NATION SUPPORT SUMMARY

Tangible.—$1.60 value for $1.00 spent; $.13 bonus from host nation for each $1.00 value received—total equals $1.73 value for each $1.00 spent.

Intangible.—Post Afghanistan I, II; exercise access and logistic support.

By virtually every available yardstick, Germany has the greatest imposed defense burden of any nation in the free world. In a country roughly the size of the State of Oregon (slide 3), it has a population of almost 62 million, a population greater than almost all of the United States west of the Mississippi River.



SLIDE 3

Within Germany, this densely populated environmentally conscious country supports a peacetime population of more than 725,000 foreign military and dependents.

GERMANY

Densely populated.
Large foreign military population.
High land value.
Host nation provided facilities.

If we were to impose a similar foreign population on the United States, it would equate to 2.7 million foreign military and dependents and a standing military presence of 3.4 million, totaling about five times what we have in the United States itself today.

Germany provides us with land and facilities which today are worth in our estimation approximately $32 billion. Because of the SOFA, this land and these facilities are exempt from the German tax base.

GERMANY

TANGIBLE SUPPORT

Maneuver rights and damage; Berlin; family housing; recent initiatives.

U.S. training exercises and maneuvers take place on open public and private land, as well as on U.S. controlled training areas (slide 4). On an annual basis we conduct about 5,000 field exercises, 80 of which are considered major exercises, a practice unheard of in the United States.

SLIDE 4

One significant but unquantifiable aspect of our maneuver rights involves the closure of rivers for the conduct of crossing operations (slide 5).

SLIDE 5

The major rivers of Europe, and particularly those of Germany are commercial thoroughfares utilized in a fashion similar to the way we operate our Interstate Highway System. Closure of these arteries for hours and occasionally more than a day at a time is burdensome but vital to the readiness of our forces.

SLIDE 6

Germany pays 25 percent of the cost of maneuver damage caused by the U.S. military. Last year their cost, the German cost was $11 million (slide 6).

BERLIN
$216 MILLION
GERMANY

Slide 7

German expenditures for the support of the British, French, and United States Forces stationed in Berlin are often overlooked in addressing their level of host nation support. The direct annual contribution of almost $216 million to the maintenance and operation of the U.S. Forces stationed in Berlin is a one-for-one U.S.-cost avoidance (slide 7). The construction, operation, maintenance, and repair of the United States facilities, including family housing is completely offset by Germany in Berlin.

- 54,000 UNITS

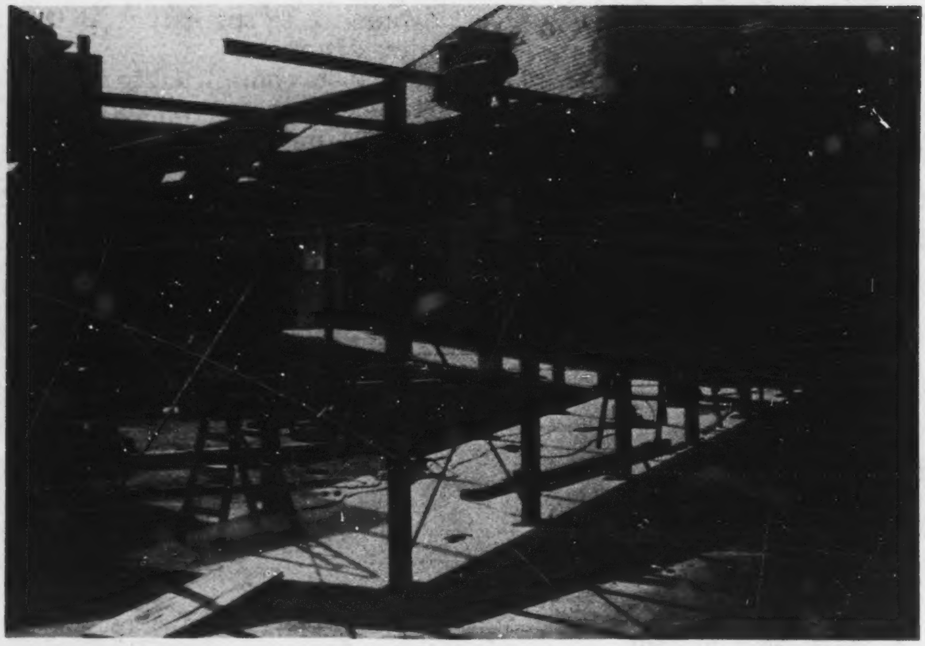
SLIDE 8

Approximately 54,000 family housing units are provided to the United States Forces free of charge by Germany. These were built in the days of the occupation at no cost to the United States (slide 8).

INITIATIVES

Mousf; Garlstedt; wartime host nation support; master restationing plan.

Germany provided $400 million in facilities offsets for the United States under the MOUSF program.



SLIDE 9

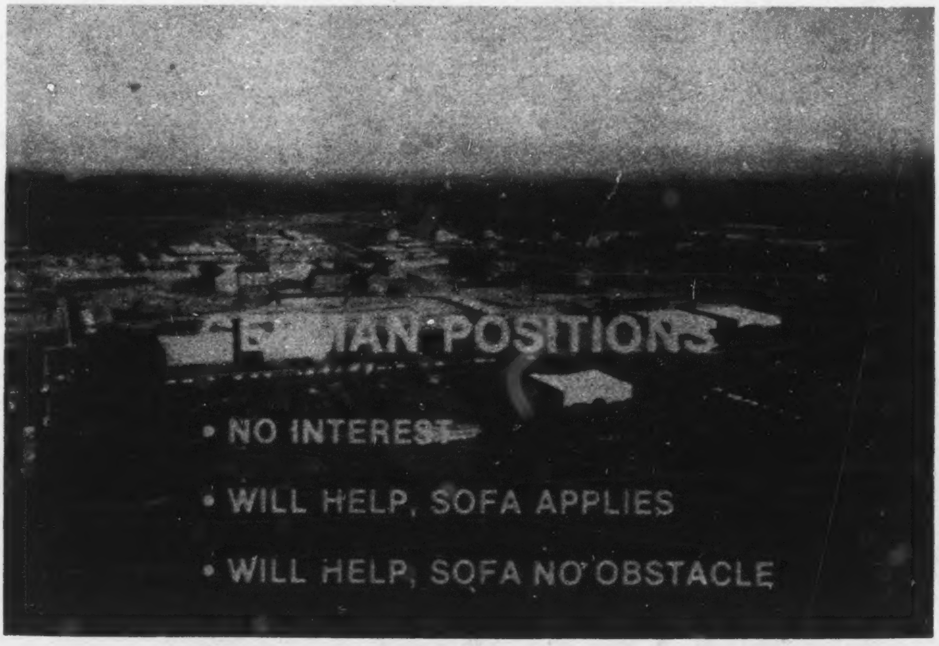
Maintenance of the U.S. facilities, which primarily was used to rehabilitate barracks and dining facilities as shown here (slide 9) and $100 million for the Second Armored Division facilities constructed near Garlstedt (slide 10).

SLIDE 10

Full implementation of the wartime host nation support agreement will result in a facilities cost avoidance to the extent as they are funded by Germany and NATO infrastructure.

In terms of personnel, the 93,000 Reservists committed to support the United States Forces in wartime represent a significant German commitment to the concept of host nation support.

The lack of U.S. resources for our share of this agreement may be a stumbling block to future negotiations on host nation support.



GERMAN POSITIONS

- NO INTEREST
- WILL HELP, SOFA APPLIES
- WILL HELP, SOFA NO OBSTACLE

SLIDE 11

Our efforts to share the facilities costs of the master restationing plan continue. The meetings held on this issue are shown here (slide 11).

GERMANY

INTANGIBLE/INDIRECT SUPPORT

Tax avoidance; wartime civil infrastructure; aid to other nations.

We impose a domestic economic burden to the extent that United States controlled real estate and rent free facilities are exempted from the German tax base. In return for this noncontribution the U.S. Forces receive the same benefits and services which the German public pays for. These include police and fire protection, public utilities, and recreation facilities, subsidized public transportation, et cetera.

In addition, United States Forces activities and individuals are exempt from virtually all German taxes and custom duties, including such little known items as the tax on the operation of personal radio and television sets.

Earlier I mentioned the significant impact foreign military forces have on Germany by their mere presence. I will not dwell on this aspect of host nation support except to reiterate that while we are not simply tolerated, but in fact welcomed by Germany both as a government and as a people, we do impose a burden both real and perceived by our mere presence.

Those of you who have traveled in Germany may recall that military facilities, personnel and traffic on land and in the air seem to be the rule rather than the exception.

SLIDE 12

Any conflict in the NATO central region will begin in Germany. As a result, its civil infrastructure, including transportation and utility systems and industrial facilities are designed, built, and operated to optimize on wartime rather than peacetime requirements (slide 12).

SLIDE 13

For example, our highways are not designed to serve as runways. Germany's are (slide 13). We do not build demolition chambers into our railroads and highways so they may be converted to wartime obstacles. Germany does (slide 14).

SLIDE 14

Germany has maintained significant levels of economic aid to several key countries whose stability and progress are of great importance to the West. These include Turkey, Greece, Portugal, and Pakistan. While this economic aid is not accountable as a defense expenditure, it makes a significant contribution to Western security. When measured in terms of gross domestic product, Germany is providing this economic aid at twice the rate the United States is.

GERMANY

HOST NATION SUPPORT SUMMARY

Tangible.—Rent free land and facilities; maneuver damage; Berlin; tax avoidance.

Intangible.—Maneuver rights; river closures; wartime civil infrastructure; foreign military presence.

On an annual basis, our very rough approximation is that Germany contributes more than [deleted] in host nation support to the United States Forces, that we can quantify. We have not attempted to place a value on the intangibles shown here.

JAPAN

HOST NATION SUPPORT (BURDEN SHARING)

Political and constitutional constraints; U.S. imposed.

Japan represents a unique challenge because of its unique domestic, political, and constitutional constraints on military capabilities. Constitutional constraints limit its military role to one of self-defense, which were originally imposed by the United States.

In this context, the magnitude of Japanese host nation support, especially the share of the facilities burden, is significant and favorable.

JAPAN

TANGIBLE SUPPORT

Relocation construction program; facilities improvement program.

Since 1973 the majority of U.S. Forces facilities requirements have been satisfied by two Japanese-funded programs, the relocation construction program and the facilities improvement program commonly known as FIP.

JAPAN

RELOCATION CONSTRUCTION PROGRAM

$1.1 billion.

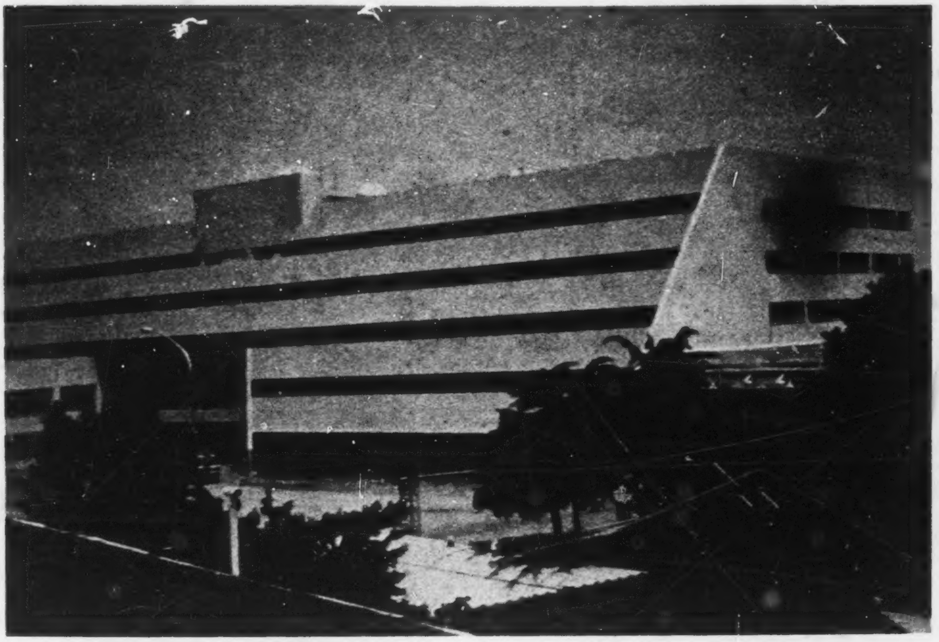
The relocation construction program is, as its name implies, essentially a quid pro quo arrangement wherein the United States receives newly constructed facilities in return for the release of older areas and facilities.

Most of the construction associated with this program is complete or under construction. We estimate the total value of the construction itself at about $1.1 billion. Through it we also realize a cost avoidance via improved operational efficiency and reduced operations and maintenance costs.

SLIDE 15

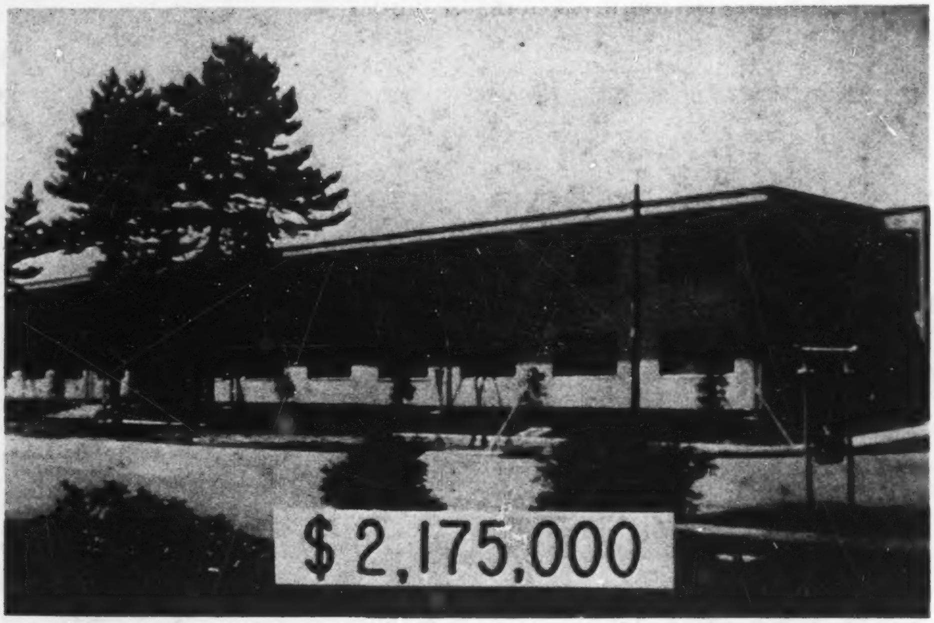
One part of this program was the Knagawa facilities consolidation program consisting of the turn-back of the medical center at

Sagami Ono (slide 15). That facility included about 500,000 square feet of building area and 49 acres of land.



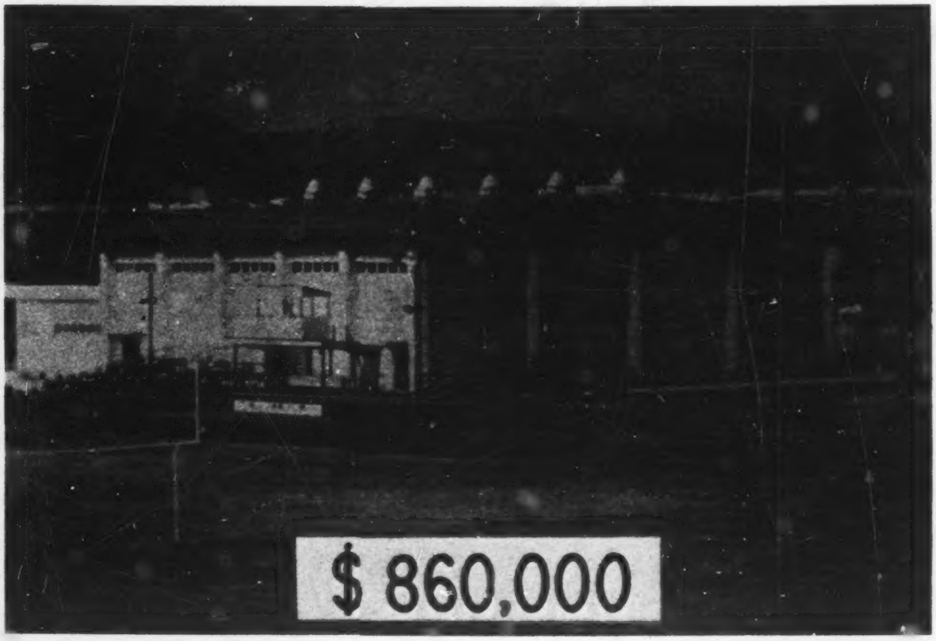
SLIDE 16

With the release of the Sagami Ono facility, we received this new regional medical center at Yokosuka, itself worth about $32 million (slide 16).

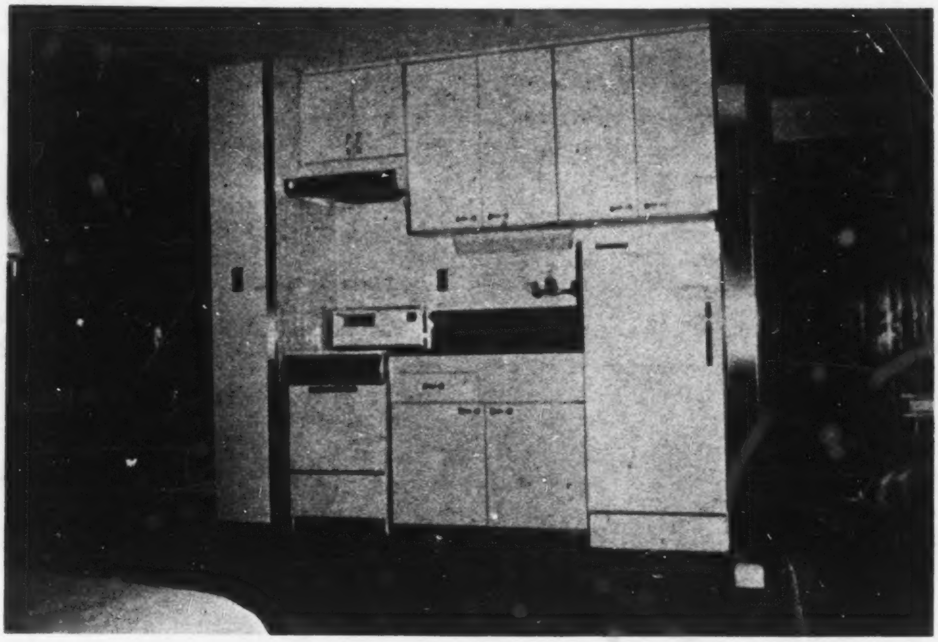


SLIDE 17

This is a 200-person, bachelor enlisted quarters complex at Camp Zama (slide 17).



A new gynmasium (slide 18) at Camp Zama is shared between the dependent high school and the Camp Zama community.



SLIDE 19

This shows the renovation of 66 BOQ rooms at Camp Zama (slide 19).

JAPAN

FACILITIES IMPROVEMENT PROGRAM

Initiated in 1979; grows from $100 million to $400 million in 1989; total program $3.8 billion.

The facilities improvement program, or FIP, came into being in 1979. It differs from the relocation construction program in that it is responsive to United States stated needs rather than the provision of replacement or quid pro quo facilities.

The inclusion of operational or warmaking facilities has been politically sensitive, causing most of the facilities constructed in the first years of this continuing program to be limited to the housing, logistic, and support categories.

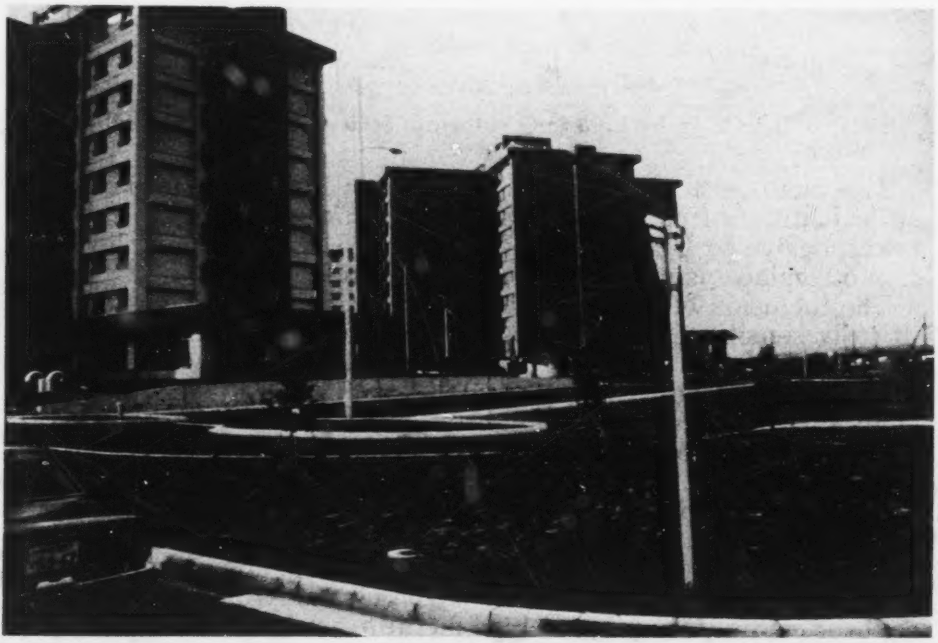
Funding has grown from slightly more than $100 million in 1979 to almost $200 million in 1982. We expect this trend to continue upward with the program reaching a peak of $400 million in constant dollars by 1988 and continuing at that level into the 1990's.

U.S. Forces Japan has identified almost $3.8 billion in FIP requirements with 50 percent for family housing, 35 percent for bachelor housing, operational and environmental projects and 15 percent for community support type facilities projects.

I will show you a couple of examples of facilities we have gotten from this program, sir.

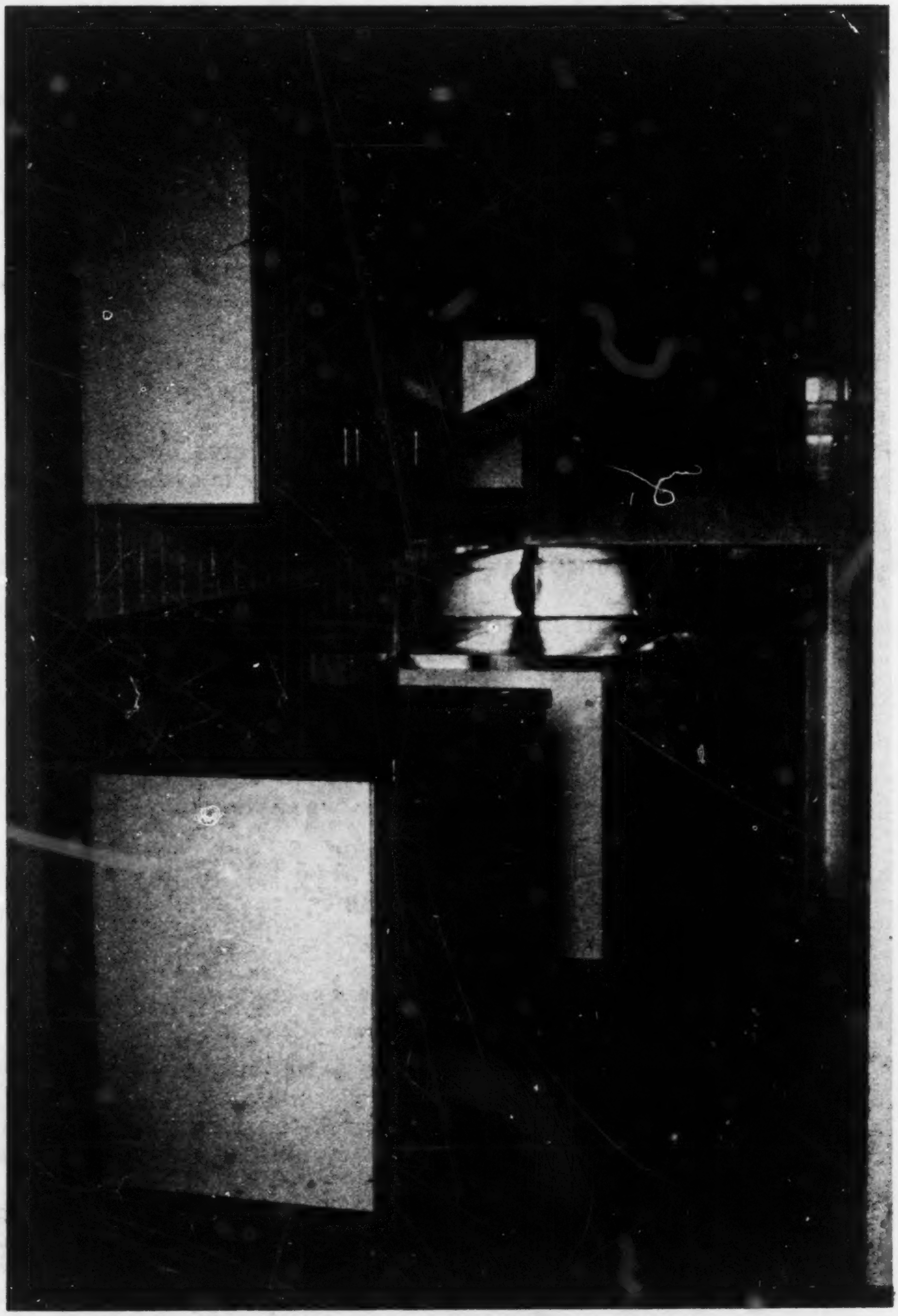
SLIDE 20

This is the senior bachelor enlisted quarters at Camp Zama (slide 20). When complete, this facility will provide adequate housing for 38 senior enlisted personnel.



SLIDE 21

The Government of Japan has also constructed a number of high-rise apartment buildings like these at Yokota Air Base (slide 21).



SLIDE 22

This is a picture of a kitchen unit in a Government of Japan constructed family housing unit (slide 22).

JAPAN

INTANGIBLE/INDIRECT SUPPORT

Land and improvements—$9.3 billion.
GOJ rental value—$226 million.
GOJ rent payments—$206 million.
Labor cost sharing—$90 million.
Foreign aid.
Tax Avoidance.

Quantifiable Japanese intangible and indirect support includes land and facilities worth approximately $9.3 billion. The Government of Japan foregoes $226 million in annual rent on land owned by the Government of Japan but occupied by the United States Forces.

In addition, the Government of Japan pays $206 million in annual rent to the owners of private land which the United States Forces also occupy.

Japan also offsets approximately 15 percent of the salaries of Japanese nationals employed by the United States under a labor cost-sharing agreement. This amounts to about $90 million annually.

Japan, like Germany, exempts the United States Forces from a variety of taxes and customs duties levied on their own citizens. In 1981 this cost avoidance exceeded $187 million.

Japan has doubled its foreign economic assistance in the last 5 years and has announced its intention to do so over the next 5 years. In response to our urging, Japan increased its economic assistance to Egypt, Somalia, Turkey, and Pakistan by over $100 million each following the Soviet invasion of Afganistan.

JAPAN

HOST NATION SUPPORT SUMMARY

Tangible.—Land rent; construction; labor cost sharing; tax avoidance.
Intangible.—Political/constitutional constraints; foreign presence.

Summarizing Japanese host nation support, the tangible support which we can quantify is more than $1.05 billion annually, and some of the intangibles and unquantifiables are also shown.

KOREA

HOST NATION SUPPORT (BURDEN SHARING)

Combined defense improvements projects program.

The last country this morning, Korea is the only host nation discussed today which is a recipient of foreign aid. In spite of this fact, a substantial portion of the funds required to sustain and modernize the combined military forces in the Republic of Korea are being provided by Korea.

When compared to Japan and the NATO nations, Korea is doing more to shoulder its own self-imposed burden and share the United States burden associated with the stationing of our forces in the Republic.

Host nation support has existed in Korea for many years based on individual agreements negotiated between the United States service component, the Army, Navy, Air Force, and Marines, and the Republic of Korea counterparts, on a case-by-case basis.

In 1980 all of these agreements were consolidated under the umbrella of the combined defense improvement projects program, commonly known as CDIP.

KOREA

TANGIBLE SUPPORT

Peacetime; wartime; facilities.

On an annual basis Korean peacetime host nation support results from force structure offsets for 5,000 United States personnel.

PEACETIME

	Net value (millions)	Personnel
Force structure offsets	$90	5,000
Katusa	91	7,240
Continuing support	71.6	
Real estate	535	
Benefits to service members	21.8	
Construction	138	
Total	947.4	

The Korean augmentation to the United States Army, known as Katusa, which provides 7,240 augmentees, security guards, exemptions from value added and excise taxes, electricity rate discounts, and the use of Korean industry. The annual cost avoidance of rent-free real estate alone is estimated at $535 million.

WARTIME

Force structure offsets	Net value	Personnel
Ammunition handling	$67.2	2,400
Highway movement	88.5	4,800
Korean service corps	461.5	22,500
Terminal service	243.9	9,200
Rokaf manning	1.9	100
POW transfer	20.0	700
Subtotal	883	39,700
Katusa	91	7,240
Total	974	46,940

In the event of war, the Republic of Korea will provide more personnel. The additional dollar savings or cost avoidance of this support total $947 million. The personnel assets are provided in the areas of ammunition handling, terminal service, highway movement, prisoner of war transfer, and expansion of the Korean Service Corps and support to the United States Air Force.

The KATUSA program continues bringing the total to almost 47,000 people.

The construction funded by Korea is aimed primarily at enhancing our war-fighting capability.

$360 MILLION 1980–82

Hardened tactical air contol center; war reserve munitions storage area; combined field army hardened command and control bunker; tactical air range; combined navy C31 center; 2nd ID upgrade; USMC TAC air beddown; USAF contingency airfield upgrade; air combat maneuvering instrumentation range; tactical air control system combat operations—intelligence center; A-10 beddown.

The Republic of Korea provided the facilities shown here at a cost of approximately $360 million. We have also acquired some facilities whose primarily utility is in peacetime. Significant among these are 1,085 build-to-lease family housing units build at a cost of $44 million and, through a quid pro quo arrangement, improved United States port facilities at Pusan and the extension of the trans-Korea pipeline north from Seoul to Uijongbu.

We are preparing a request for an additional $580 million in host nation support construction during the period 1983 to 1988. This program includes projects for force stationing and restationing, command and control facilities, POL storage and distribution, ammunition storage, and a sophisticated hardened communications network which will be cost shared.

KOREA

INTANGIBLE/INDIRECT SUPPORT

Discounts; tax avoidance; travel and tours.

The Republic of Korea has made special efforts to provide benefits to United States service members.

REUNION IN KOREA PROGRAM

Purposes: Gratitude and goodwill.
Host: ROKG-owned Korean National Tourism Corp. (KNTC).
Eligibility: All family of service members in Korea.
Cost per family member: $700–950.
KNTC subsidy per person: $990.
Total subsidy value 1981–82: $1.34M.

The Korean Government provides discounted fuel and power and road tax exemptions and in-country travel packages worth about $22 million annually.

The most popular program to the service member is called the reunion in Korea package. It includes round-trip air fare between selected United States cities and Korea, hotel accommodations, all meals, transportation, and in-country tours for 4 nights and 5 days at prices ranging from $700 to $950, depending upon where the family member departs the United States.

By way of comparison, normal tourist air fare alone, round trip from Washington, D.C., to Seoul is $2,015. This is especially significant because our soldiers live in relatively austere conditions in Korea.

KOREA

HOST NATION SUPPORT SUMMARY

Tangible.—CDIP peacetime; CDIP wartime.
Intangible.—Battleground; receives foreign aid.

Korea's host nation support is summarized here. The numbers are not additive. What they do in peacetime they don't do in wartime and vice versa, but that is our summary of quantifiable Korean host nation support.

Sir, that concludes the briefing.

Do you have any questions?

Senator MATTINGLY. Go ahead with the next briefing and we will wait.

SOUTHWEST ASIA OVERVIEW

JOINT
CHIEFS OF STAFF

ILLUSTRATION 1

Mr. STONE. The next briefing will be given by Col. Robert Isaak on our Southwest Asia strategy.

Colonel ISAAK. Good morning, Mr. Chairman and gentlemen.

I am pleased to have the opportunity to give you an overview of our Southwest Asia military strategy and how military construction in the region relates to that strategy.

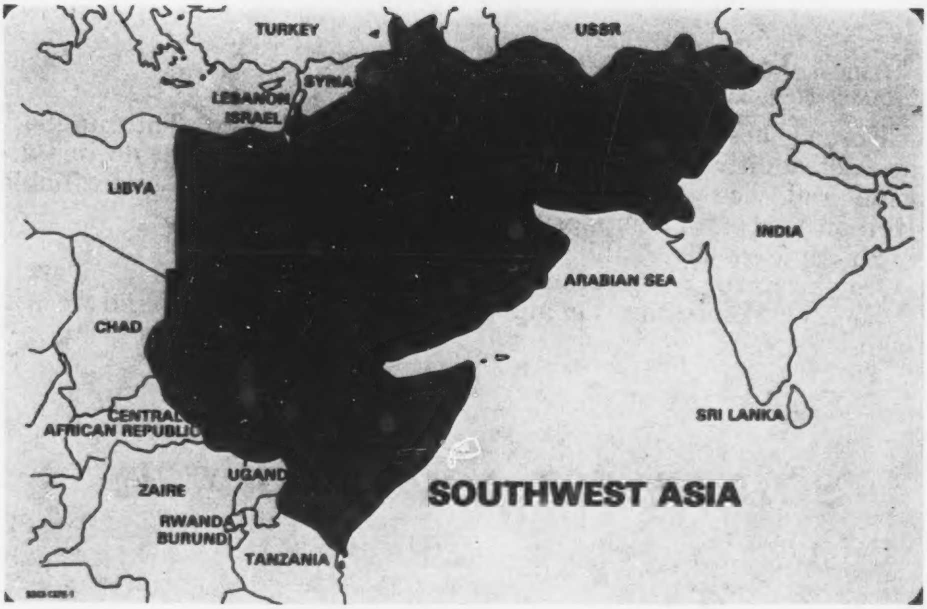
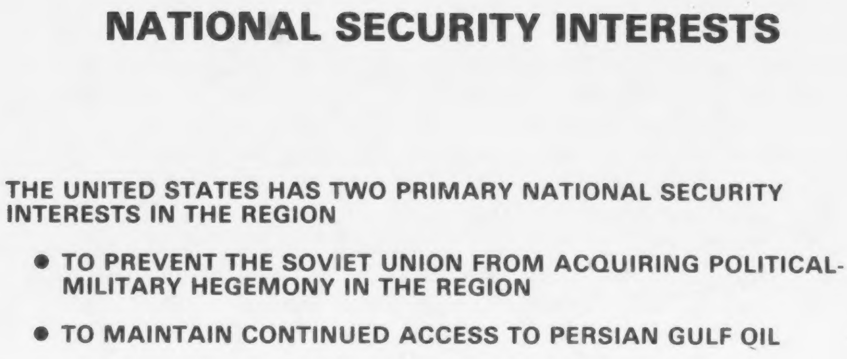

TURKEY
USSR
SYRIA
LEBANON
ISRAEL
LIBYA
INDIA
ARABIAN SEA
CHAD
CENTRAL
AFRICAN REPUBLIC
SRI LANKA
UGAND
SOUTHWEST ASIA
ZAIRE
RWANDA
BURUNDI
TANZANIA

Illustration 2

The term Southwest Asia as used in this briefing encompasses the area highlighted on this slide and is coincident with the area of responsibility of the Commander of the U.S. Central Command.



NATIONAL SECURITY INTERESTS

THE UNITED STATES HAS TWO PRIMARY NATIONAL SECURITY INTERESTS IN THE REGION

- TO PREVENT THE SOVIET UNION FROM ACQUIRING POLITICAL-MILITARY HEGEMONY IN THE REGION
- TO MAINTAIN CONTINUED ACCESS TO PERSIAN GULF OIL

ILLUSTRATION 3

Today the United States has two primary national security interests in Southwest Asia. The first of these, prevention of Soviet control, has been a concern to the United States since World War II when U.N. action secured the withdrawal of the Soviet Union from northern Iran in 1946.

A policy of containment toward the Soviet Union was manifested through the establishment of CENTO with Turkey, Iran, Iraq, Pakistan, and Great Britain as participants. When Great Britain decided to withdraw its forces from the region, U.S. association with CENTO assisted in maintaining regional security. However, as CENTO effectiveness declined, a regional barrier to the Soviets was still provided by Turkey with its NATO association and Iran and Pakistan with their bilateral relationships with the United States.

But it was after the Shah was deposed that Iran could no longer provide the security buffer sought by the United States. It was then that it became apparent that if we are to protect our national interests we had to change our strategy.

The second U.S. primary interest, continued access to gulf oil, became a major concern to us and our allies as a result of the 1973 oil embargo. At that time the leverage of regional oil producers became obvious.

Further, it became apparent to the United States that oil from Southwest Asia is closely linked to U.S. commitments to both NATO and East Asia as well as the health of free world economies.

Therefore, the United States in concert with intra- and extra-regional allies and friends had to be prepared to meet threats of any magnitude from internal subversion to a large-scale act of Soviet aggression.

THREATS

Internal instability; intra-regional conflict; Soviet-supported subversion or surrogate invasion; Soviet armed intervention.

In Southwest Asia there are numerous threats to our interests. First, friendly governments might be toppled by internal insurrections possibly stimulated or exploited by the Soviets.

Second, friendly states might be attacked by other local states. The most immediate concern in this regard is the Iran-Iraq war because it might increase in intensity and scope of fighting thereby threatening other Gulf States.

Also, that Iran might succumb to increased Soviet influence or, as a worst case, large-scale military intervention.

To guide our response to these threats, the Joint Chiefs of Staff developed a strategy for Southwest Asia predicated on what U.S. forces can achieve in the near term to protect our interests there.

The strategy addresses the entire threat spectrum and considers the utility of military actions, political initiatives, and host nation support. The strategy is designed to deter actions hostile to the United States and allied interests.

Because of our current limited ability to project and sustain forces in the region, the strategy calls for both improved U.S. military capabilities and support from allies and friends.

[Illustration 4 classified.]

The strategy for internal conflict seeks to protect our interests [deleted]. Friendly regional states must become increasingly self-reliant in dealing with insurgencies and subversion which may jeopardize their security and national integrity.

If local instability occurs, the United States will rely primarily on forces indigenous to the region, or in some cases on United Nations or other multinational peacekeeping forces in order to restore order.

Similarly, as when supporting friendly regional states against overt attacks by other radical states, the United States should be prepared to assist. [Deleted.]

[Illustration 5 classified.]

For intraregional conflicts, the United States seeks to protect its interests and its friends by defusing the potential for other regional states to be drawn into the conflict and thereby reducing the likelihood of Soviet involvement.

Our strategy emphasizes assistance to countries to defend themselves, to cooperate in collective action with allies and regional friends, and adherence to the principle that each nation bears the primary responsibility for its own defense.

[Deleted.] The United States will support regional states through security assistance. [Deleted.]

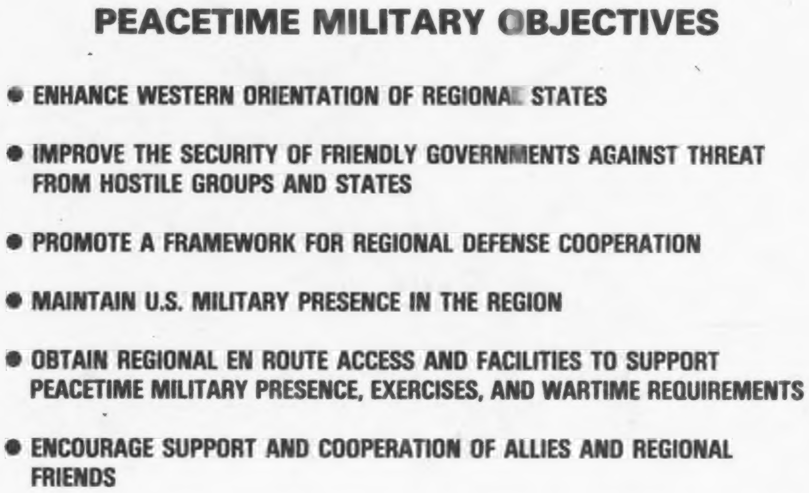
[Illustration 6 classified.]

In dealing with a Soviet invasion of the gulf area, we find that this is the most demanding case. This is the contingency which determines the extent of a regional military infrastructure.

Geographic realities are such that if the Soviet Union is willing to make the necessary commitment [deleted].

The key to addressing the Soviet threat therefore is deterrence. We must convince the Soviets that should they attack our vital interests in Southwest Asia, the United States will respond with military force.

To achieve our objective of countering the Soviet threat in Southwest Asia, our military strategy consists of both a peacetime strategy to deter Soviet political military control and a force employment strategy to combat Soviet forces and protect access to Persian Gulf oil should deterrence fail.



PEACETIME MILITARY OBJECTIVES

- ENHANCE WESTERN ORIENTATION OF REGIONAL STATES
- IMPROVE THE SECURITY OF FRIENDLY GOVERNMENTS AGAINST THREAT FROM HOSTILE GROUPS AND STATES
- PROMOTE A FRAMEWORK FOR REGIONAL DEFENSE COOPERATION
- MAINTAIN U.S. MILITARY PRESENCE IN THE REGION
- OBTAIN REGIONAL EN ROUTE ACCESS AND FACILITIES TO SUPPORT PEACETIME MILITARY PRESENCE, EXERCISES, AND WARTIME REQUIREMENTS
- ENCOURAGE SUPPORT AND COOPERATION OF ALLIES AND REGIONAL FRIENDS

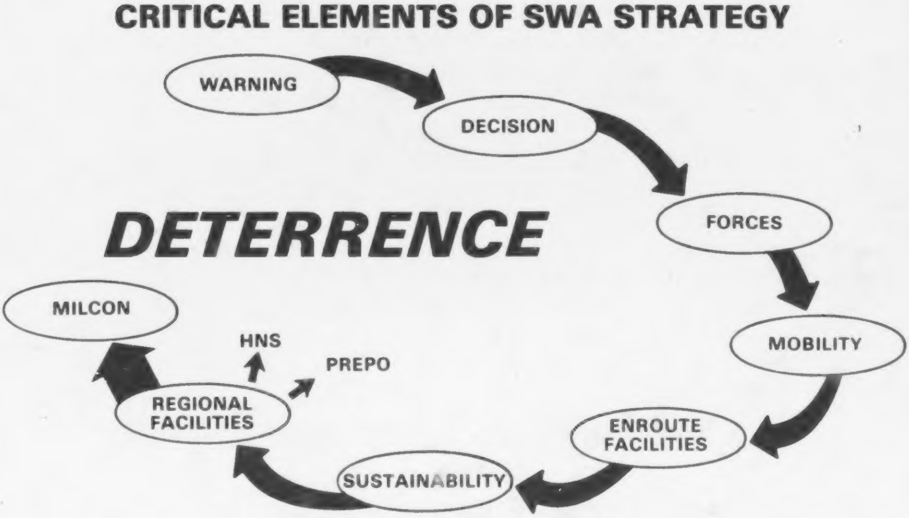
ILLUSTRATION 7

Our peacetime strategy is to maintain a credible presence in the region, expand access to and improve regional facilities, assist regional states to meet their defense requirements, and periodically deploy forces for combined exercises.

A peacetime objective is to enhance deterrence by sufficiently improving our global capability to deploy and sustain military forces so as to insure that should the Soviet Union attack that it will be confronted with the prospect of a major conflict with the United States.

[Deleted.]

[Illustration 8 classified.]



CRITICAL ELEMENTS OF SWA STRATEGY

ILLUSTRATION 9

As stated earlier, the key to our regional strategy is deterrence, and for deterrence to succeed we must have a credible force capable of rapidly deploying to the region.

To establish this credibility, the elements which are shown must occur or be available. [Deleted.]

The programs relating to mobility, sustainability of combat forces and en route support for Southwest Asia are being worked and will not be elaborated on.

The last critical element of the strategy involves the reason primarily why we are here today.

FORMIDABILITY OF RAS BANAS

Senator **MATTINGLY**. Let me ask you a question. Ras Banas, how formidable is that in this link?

Colonel **ISAAK**. Ras Banas, sir, is essentially the [deleted] of this strategy. Ras Banas is the facility that we envision would be the main cantonment area for [deleted].

Senator **MATTINGLY**. Is that information classified in strategy?

Colonel **ISAAK**. The information regarding the use of Ras Banas in a generic sense is not. As far as the specific units that would be going to Ras Banas, that would be classified.

Senator **MATTINGLY**. The reason I am asking that question is because of the problems we had last year. I was going to ask this question later, but since you are in this area, that in order to get to the impasse and we are going to have to bring this to a higher level some way on Ras Banas. I have got to make a decision and other people have got to make a decision and we are going to force the issue with the State Department or somebody to try to either get a treaty or something in order for it to get the funding.

If you say it is a vital link, which I believe it is, too, somehow we have got to get this information out, and it is not out. At least it is not out to the House of Representatives. So I would like to know as much information that we can release on Ras Banas and I would hope that you would be able to get that up for me, Mr. Stone.

All right, go ahead.

ACCESS TO REGIONAL FACILITIES

Colonel **Isaak**. Access to regional facilities are vital to our peacetime force employment strategies, and, as I just indicated, Ras Banas is [deleted] of these facilities at present.

Specifically, we need access to facilities to support our peacetime presence and sea control operations and to serve as staging and forward operating bases.

As our ability to rapidly employ forces improves through the decade, our requirements for access arrangements and adequate regional facilities will increase. First, in Diego Garcia, Egypt, Oman, Kenya, and Somalia we need to maintain and develop the facilities to which we already have access [deleted].

U.S. DEVELOPMENT OF STAGING AREAS

At a minimum the United States must develop staging facilities for the preconflict deployment of forces and prepositioning of equipment and materiel in Egypt [deleted] and additionally, improve facilities at Diego Garcia and in Egypt [deleted].

The United States must also improve those facilities in Kenya and Somalia essential to peacetime presence and sea control and improve the facilities [deleted] for en route access.

In summary, our regional facility developments are predicated on the requirements generated by the threats to our interests and serve to complement our foreign policy in Southwest Asia.

To foreclose on the alternative of projecting a credible fighting force into Southwest Asia would not only invite further regional instability, but would also create a vacuum which in our opinion the Soviets are prone to fill.

Sir, that concludes the briefing.

Senator **Mattingly**. Thank you.

I have several questions that I will just enter for the record and then you can respond to them.

PERCENT OF GNP ON DEFENSE SPENDING

What percent of the GNP in the United States is attributable to expenditures on defense for fiscal year 1984? What percent of our gross national product are we going to spend on defense this year?

Mr. **Stone**. I think it is around 7 percent, Senator.

FOREIGN GNP ON DEFENSE SPENDING

Senator **Mattingly**. What percentage of the gross national product in Germany, Great Britain, Japan, and Korea is expended for defense in the latest information you might have available?

Mr. **Stone**. Yes; I do have that available.

In 1981 the United States spent 6 percent and more than that in 1982.

In 1981 the United Kingdom spent 5 percent, Germany 3.4 percent, Japan 1 percent, and France 4.2 percent. The United States has clearly been spending a higher percentage of GNP than any of our European allies or Japan.

Senator MATTINGLY. You are giving me that information then on the split of expenditures as relating to their direct defense expenditures and their contributions in support of U.S. Forces. I think you can probably get that information together so we can have that.

Mr. STONE. Yes.

Senator MATTINGLY. That is good.

[The information follows:]

ALLIED SUPPORT OF U.S. FORCES

We do not have records which provide an overall dollar value of Allied support of U.S. Forces. For some items, such as the construction of facilities at Garlstedt and Allied contributions to maneuver damages, we can determine the cost. For most items, such as use of land and facilities, tax concessions, family housing units, police and fire protection, recreation facilities, subsidized public transportation, etc., we have no cost estimates. A detailed discussion of these contributions are included in the Secretary's "Report to Congress on Allied Contributions to the Common Defense" which will be forwarded to Congress shortly.

U.S. ACTION TOWARD HOST NATION SUPPORT

Senator MATTINGLY. Since there is a lot of concern over what specific actions have been taken toward increasing host nation support, could you tell us what Defense and State have done to address this issue particularly in Germany, Great Britain, Japan, and Korea?

Mr. STONE. I can sketch out part of it, Senator, and maybe call on my colleagues to help.

With respect to Japan, high administration officials have been, and I guess the best word is maybe hammering on the Japanese for a couple of years about the need to expand greatly the size of their defense effort to assume responsibility for defense of the sealanes for 1,000 miles around Japan.

The new Japanese Prime Minister has made some encouraging signs and made the first efforts toward increasing the Japanese defense budget. Whether he will be able to ultimately succeed in that, we will have to wait and see. He has talked in terms that are very friendly to our purpose. He has talked about accepting responsibility for sealane defense, about being able to seal off the Sea of Japan in case of a war involving the United States and the Soviet Union, and he has referred to Japan as an unsinkable aircraft carrier, which is an unheard of thing for a Japanese Prime Minister to do.

With respect to the NATO allies, the administration had a series of meetings of NATO Defense Minister and NATO Foreign Ministers and has been urging the allies to strengthen their defense programs.

Secretary Weinberger says that he is not satisfied overall with the level of defense spending and he is trying to convince the allies to do more.

Again, in NATO there are some encouraging signs. In Germany, for example, in 1982 the German defense spending in real terms dropped by 0.2 percent, and while it is a very small drop, it is a drop and we would much prefer to see the Germans increase.

However, that drop consists of nearly a freeze on military salaries in Germany. So the 0.2 percent overall drop really involves a real cut in pay and sizable increases in procurement in Germany.

The only encouraging word I can add to that is Germany, like many of the European countries, is making big cuts in social programs at a time when they are still making small increases or holding defense spending steady.

But Weinberger, and Shultz, and the President have been trying to convince the allies to do better and there are some signs that they are.

Senator **Mattingly**. I had met with Prime Minister Nagasani when he came here from Japan and he made all those statements, and when he went home I think he got a different reception. I think they turned the heat up on him just slightly, but I am glad to see him at least making the move in that direction.

NATO SUPPORT FOR CONSTRUCTION FOR RDF FORCES

With regard to our commitment to the RDF what, if any action has been taken to attain support from NATO and our allies regarding contributions directly or indirectly toward construction for the RDF forces?

Mr. **Stone**. Let me ask Mr. Jefferson to address that.

Mr. **Jefferson**. Mr. Chairman, toward the direct funding support of military construction of our desired facilities in Southwest Asia I think the answer is that we have not succeeded in persuading any country to join us in funding those costs. We have taken a number of other steps by which the NATO allies are showing their support, and showing their recognition of the immense importance of Southwest Asia and the Persian Gulf, although as a legal matter it falls outside the NATO area of responsibility and therefore you will see less in the way of collective NATO actions with respect to the area. Of course, there are a number of sensitive, political considerations that I think it is fair to say restrain our allies from joining with us wholeheartedly in every respect in our Southwest Asia endeavors.

The alliance is currently engaged in an important study, as was mentioned by Major Mahoney, of the impact on NATO and NATO deterrence and defense of possible U.S. Southwest Asia deployments that would involve the diversion of forces otherwise available to reinforce NATO.

This is important, among other things, because whatever happens in Southwest Asia, it is essential to maintain an adequate deterrent posture in NATO Europe. The allies, through this study and through the recommendations that will issue from it, we believe will contribute in a significant way to shoring up NATO defenses when force diversions to the Persian Gulf might otherwise result in undesirable weakening of the NATO posture.

NATO FINANCING OF SOUTHWEST STRATEGY

Senator **Mattingly**. In simple words you are trying to tell me that NATO doesn't think that our Southwest strategy would halt Soviet aggression. Don't they understand that? I mean don't they understand that it does tie in with NATO in the protection of them?

Mr. **Jefferson**. Yes, sir, I think they do very much so.

Senator **Mattingly**. That being the Southwest being diverted from the European and Western European countries?

Mr. **Jefferson**. That is the impression I meant to convey, Mr. Chairman, that they do recognize the importance. They have expressed their recognition and support for U.S. Southwest Asia strategy and efforts.

Senator **Mattingly**. But they don't want to fund it.

Mr. **Jefferson**. Well, individual nations are making a contribution. The British have maintained a presence in the area and the French maintain a presence in the area. So I think it would be incorrect to say that our allies are not supporting our effort in Southwest Asia. But it has been more on an individual nation basis.

NATO IMPACT STUDY

Senator **Mattingly**. What would you think if we told them that we were going to take part of the moneys that we put into Europe and divert them to Southwest Asia? Do you think that would encourage them to participate and raise their level of funding for defense expenditures in Europe?

Mr. **Jefferson**. In Europe? I think in a sense that is the direction in which we are moving with the impact study that I mentioned.

Senator **Mattingly**. Who is doing the impact study again?

Mr. **Jefferson**. It is under the aegis of the NATO Military Committee. It involves all the nations and it has involved very substantial inputs from the United States and from the Joint Chiefs of Staff in particular.

Senator **Mattingly**. When is that due to be complete?

Mr. **Jefferson**. We expect to have a meaningful report, but not necessarily a final report in the spring, which would be dealt with at the June ministerial meeting of the NATO Defense Ministers.

Mr. **Stone**. If I might add a comment, Mr. Chairman. I think to date the support we have gotten from our allies has been more in the way of moral support than financial support.

Senator **Mattingly**. The Congress is aware of that.

Mr. **Stone**. Yes, sir, and the Department of Defense is aware of it, too, and the Secretary of Defense is unhappy and dissatisfied with that situation and is attempting vigorously to change that. I know that he has discussed that with the New German Minister of Defense and explained to the German Defense Minister that while the United States is having an increasing responsibility, which they call out of area, which means it is not within the NATO Treaty area, that Germany and the European allies are going to have to pick up a good part of the burden.

We are not satisfied with the situation as it stands.

NATO INFRASTRUCTURE ACCOUNT

Senator **Mattingly**. Regarding the NATO infrastructure account, I understand that our participation is 27 percent. Everybody always states that the United States gets back more than it puts into the account. For the last 3 NATO fiscal years could you tell me what percent of the NATO pot was used to construct facilities in direct support of U.S. Forces? Do you have that?

Mr. LANOUE. I can't give you an exact answer on that, Mr. Chairman, but the 27 percent that you are referring to is a figure that was established 5 years ago for this 5-year period. Each year a separate program is approved by the NATO committees. What Mr. Stone was referring to was that on an average the percent of the projects that the U.S. shares with other countries has been 40 percent of the total for each of those years.

The program each year differs; 3 years ago it was larger than it is this year because we are coming to the end of the 5-year period and the amount of money that is available in the infrastructure program is smaller, but still we have been maintaining an average of about 40 percent of the program.

Senator MATTINGLY. Forty percent.

Mr. LANOUE. Yes, sir; 40 to 45 percent.

Senator MATTINGLY. Aren't you talking about we put in 27 percent and we get back 44 percent? Is that what you are talking about?

Mr. LANOUE. Forty to forty-five percent, yes, sir. The money that we are asking for this year, the $150 million, is our contribution to the infrastructure program in 1984. That will represent our 27 percent. What we will be getting back in the 1984 NATO program, we expect to be in the range of 40 to 45 percent.

Senator MATTINGLY. While our allies are prefinancing NATO projects, do any of them also have military construction budgets of over the $8 billion in addition to their prefinancing?

Mr. STONE. No, sir, Mr. Chairman, they are nowhere near that size.

NATO MILITARY CONSTRUCTION BUDGETS

Senator MATTINGLY. What are the military construction budgets of our NATO allies? If you don't have it, could you supply that to us?

Mr. STONE. We will give you the best answer we can for the record, Mr. Chairman.

[The information follows:]

NATO ALLIED MILITARY CONSTRUCTION EXPENDITURES FOR 1981

1981 prices and exchange rates:	
Belgium	([1])
Canada	([1])
Denmark	([1])
Germany	([1])
Italy	([1])
Netherlands	([1])
Norway	([1])
Portugal	([1])
United Kingdom	([1])
Total non-U.S. NATO [2]	[2]
United States	([1])

[1] Deleted.

[2] Excludes France, Turkey, Greece and Luxembourg.

NATO CONSTRUCTION BUDGET

Senator MATTINGLY. They should have budgets like we have got, I guess, and we should be able to find that out of what their total defense budget and what they do in NATO and what their MILCON situation is.

Mr. STONE. We will try and get that information.

Senator MATTINGLY. Now I understand that NATO budgets are sliced up on 1-year segments over a 5-year period of time. What was the construction budget for the present 5-year segment?

Mr. LANOUE. The current 5-year program is referred to as a slice group and each individual year is called a slice. The slice group total is $3.15 billion. As Mr. Stone mentioned, we are attempting to get that raised, and it currently looks as though we are going to be successful in raising it by approximately $475 million more.

Senator MATTINGLY. Where are we now in that 5-year period?

Mr. LANOUE. The 5-year period started in 1980 and it will be concluded in 1984.

Senator MATTINGLY. Is there any money left in it?

Mr. LANOUE. There is very little left right now. As I said, we are expecting a supplement of about $475 million.

Senator MATTINGLY. From where?

Mr. LANOUE. This has to be agreed upon by all of the countries. It is being discussed now within the military committee and the infrastructure committees of the NATO organization.

Senator MATTINGLY. And 27 percent of that would be ours?

Mr. LANOUE. Ours would be 27 percent, yes.

Senator MATTINGLY. When would that request come?

Mr. LANOUE. We are considering that as part of the $150 million that we are requesting in 1984, and we expect a decision on the $475 million by June of this year.

Senator MATTINGLY. That is what the May meeting is. I assume that that will be part of the discussions.

Mr. LANOUE. Yes, sir, as part of the DPC meeting.

Senator MATTINGLY. Why did they run out of money, because of inflation?

Mr. LANOUE. Primarily because of inflation and also because of additional requirements. When the 5-year program was first approved, it was approved at a considerably lesser amount than what the requirements were that had been identified by the major NATO Commanders.

PROSPECTS FOR FUNDING INCREASE

Senator MATTINGLY. What do you think will happen? What is your prognosis on the funding increase, not the United States, but the rest of it?

Mr. LANOUE. The funding increase has to be approved by all the countries.

Senator MATTINGLY. What do you think?

Mr. LANOUE. I think we are going to be successful in achieving a $475 million increase. The two major contributors are ourselves and Germany, which make up 53 percent of the contribution. Both of us agree that it is a good idea, but we just have to work with the other 12 countries and convince them.

Senator **Mattingly**. Maybe we ought to just tell them if they quit subsidizing their exports to these other countries that they could find some money very easily.

Mr. **Jefferson**. Mr. Chairman, could I just add one point to that. We have had some recent indications from other allies of their willingness to support an increase in infrastructure even greater than a $475 million increase. So, I think one can be optimistic about looking forward to an increase of at least that much in the spring.

BUDGET PROPOSAL FOR NEXT 5 YEARS

Senator **Mattingly**. What is your anticipation for the next 5 years? Are they going to establish a budget at that time at this meeting?

Mr. **Lanoue**. For the next 5-year program, the initial planning is starting now and it is based upon the requirements that are identified by the major NATO Commanders, SACEUR, General Rogers, and SACLANT, Admiral McDonald. They will be presenting their requirements to NATO between now and this summer and the decision will have to be made by December 1984 as to the total size of the program.

We certainly hope it is going to be considerably larger than the program that has been approved, the current 5-year program.

Senator **Mattingly**. But do you have any idea what it is going to be?

Mr. **Lanoue**. I know the requirement is going to be very large, but as to what the countries are going to agree upon, no, I really can't say.

Senator **Mattingly**. The answer to that question is I don't know. No; I am kidding.

In the area of prefinancing, I understand that we only prefinance those projects which are of the highest priority. Now who determines that priority, the United States or NATO?

Mr. **Stone**. The Secretary of Defense decides what projects we will attempt to prefinance. That is strictly an American decision. They are always taken with consideration of the likelihood of getting early recoupment from NATO, but it is an American decision.

Senator **Mattingly**. But he is the one who decides which projects?

Mr. **Stone**. Yes; sir, the Secretary of Defense

RECOUPMENT OF PROJECT FUNDS

Senator **Mattingly**. To the best of your ability right now, and you can tell us for the record later, in the last say 10 years of the prefinancing by the United States, could you show by project the amount of money and the amount that we have recouped on each of those projects to date?

Mr. **Stone**. Yes, we sure can, Mr. Chairman. I have a brief summary which I would like to report to you.

Senator **Mattingly**. And you are going to give me a detail of it later; is that right?

Mr. **Stone**. Yes; we have prefinanced a total of $578 million. We have recouped $319 million and NATO has agreed to pay us an additional $45 million, for a total of $364 million of the $578 million that we prefinanced.

So we have gotten back about 60 percent. They have agreed to give us back another 10 percent and there is 30 percent which we haven't gotten back and have no immediate prospects to recover.

Senator MATTINGLY. They are not a very good credit risk, are they?

Is there any other way possible to get that money back? If we are going to go out there and you have got roughly $150 million in there I believe for some more prefinancing for projects right now I think. You said $110 million for one installation and $44 million for another installation, and some odds and ends.

Mr. STONE. Yes.

Senator MATTINGLY. It would seem to me that NATO ought to be called upon to fund that themselves if they can scrape up the money somewhere. When did they say we were going to get the $45 million back? When did they say they were going to repay that?

Mr. LANOUE. The $45 million has been approved by NATO. It has been included in one of the approved NATO slices or NATO programs and there are just some administrative problems in getting the funds back, but we expect to get them back by the end of this calendar year.

Senator MATTINGLY. By the end of this calendar year?

Mr. LANOUE. Yes; the $45 million. A little bit might slip into 1984, but the majority will be recouped this year.

Senator MATTINGLY. The check is in the mail.

Mr. LANOUE. Somewhere in the mail, yes, sir.

Mr. STONE. It is on the desk.

Senator MATTINGLY. It is on the desk and if I can just get my secretary to fix that up we will get it out to you tomorrow.

Mr. LANOUE. But that other $150 or $200 million you are talking about, these projects are eligible for NATO funding. I had mentioned the fact that we are running out of money in the current 5-year program, but we are hoping that if the Alliance in toto sees fit to fund a much larger program for the next 5 years starting in 1985, then we will shortly see our recoupment of the outstanding prefinanced projects.

PREFINANCING TRACK RECORD

Senator MATTINGLY. The track record, as I said, on the prefinancing is not just good at all. You can rest assured that when this thing gets to the full committee there is going to be ranting and raving over that. I can just tell you it is coming.

Mr. LANOUE. I think the track record the last couple of years has been pretty good, Mr. Chairman. The majority of the $200 million is for very old projects for aircraft shelters that at one time had a high priority for the United States and we thought had a high priority for SACEUR, but other requirements were being generated which required the infrastructure money. SACEUR did fund the other prefinanced projects, and I would say over the last 2 years we have recouped $150 to $200 million.

Senator MATTINGLY. On repayment of loans like that, are they interest free?

Mr. **Lanoue**. They are.

PENALTY PAYMENTS ON DELINQUENT LOANS

Senator **Mattingly**. I mean there is no delinquent payment, right? If everybody in the United States gets a loan and they don't pay it, somebody adds on. I think you VISA credit card does that. Mine does. [Laughter.]

Mr. **Stone**. Mr. Chairman, our record on recoupment is not the greatest, as you say. I think the best we can say for it is, it is not as bad as some people have thought. We would ask that you judge this year's request in two lights, and I think they are both very reasonable questions that you ought to ask at the service hearings.

One is how important are these facilities to our military capability, and the other is how likely are we to get early repayment. I would just hope that you would ask both of those questions in considering whether to approve the appropriation request.

Senator **Mattingly**. Well, I think a question will eventually be asked about if we are going to contribute more money, is the money going to be used just to repay the infrastructure debt to the United States. You know, it is like it is going out an coming back around again. If I weren't sitting here and being the chairman and if I was somebody else sitting up here, I would be asking those questions. I think those will have to be addressed because when they go to looking for a reduction of the Milcom budget and look at the NATO infrastructure money, wasn't it last year that they deleted some of the infrastructure money, and the year before?

I just thought I would throw that out to you. I don't know what will happen. You have probably got more insight into it than I have. But I am just saying you have a large number of people, not a large number, but a group of people that want to reduce the number of forces in Europe. This all sort of ties in together and we are going to need, if we are going to defend the money and the prefinancing, then we had better have a good story to tell them, and not that they have got 30 percent of the money that they haven't prepaid, with a check maybe in the mail and we are going to ask for another $150 million in prefinancing projects.

I just throw those out to say that I can assure you that those questions will come up.

Mr. **Stone**. We will try and give you good answers.

Senator **Mattingly**. I hope you do.

FACILITIES IN FAR EAST

Both Japan and Korea have constructed a great many facilities for United States Forces. How is that determination made as to what requests are made of these governments for specific projects? Who decides?

Mr. **Stone**. In both Korea and Japan the local American military commander, that is the Commander of U.S. Forces Japan and the Commander of United Nations Forces Korea work with the local government authorities and review their priorities, that is the U.S. military priorities, and negotiate with the local people.

The choice of specific projects is ultimately approved by the Pentagon, but they are initiated out in the field. The commander says to his counterpart in the Korean Defense Ministry or the Japanese Defense Ministry, this is the best way you cold help the U.S. military in the next couple of years by building this hardened communications center, or this apartment building, or whatever.

BASE AGREEMENTS WITH SPAIN AND PORTUGAL

Senator MATTINGLY. With regard to requests from Spain and Portugal, what is the status of our base agreements now with those countries?

Senator JEFFERSON. Mr. Chairman, with respect to Portugal, we are right now in the course of renegotiating an extension of what is known as the Azores Agreement. There has been quite a bit of uncertainty in Portugal with changes of Government, and the negotiations have lagged somewhat. I would expect that they will pick up within the next 2 or 3 months with a conclusion perhaps to be foreseen sometime this summer.

As to the Spanish bases agreement, our agreement of friendship and defense cooperation with Spain was concluded last summer, and the Spanish Government has agreed to submit the agreement without change to the Cortez. There are a few ancillary understandings that we have reached with the Government of Spain, but the text of the agreement is intact and we expect that it will be ratified by the Spanish Cortez.

Senator MATTINGLY. I notice we have a vote. That means I have 15 minutes to get there.

RAS BANAS

Very quickly, in reference to my question about Ras Banas, the House, as you all are very aware of, has made it continually that they consider a country-to-country agreement almost essential. I know that prior to my becoming chairman you responded to directions, including the fiscal year 1983 Milcon Appropriations Conference Report. What position has the House taken on your response?

Mr. STONE. The feeling we got from the House Appropriations Committee is that they didn't like our response, Senator.

Senator MATTINGLY. The staff informs me that my distinguished colleague and former chairman of this committee offered no objection. I seek your support for this issue in all seriousness because I want to be in the position before we actually go into conference this time with the House to know what can reasonably be expected on Ras Banas.

I know that Senator Laxalt was totally frustrated by the Ras Banas issue of the last 2 years, and I think we have got to get this issue settled and we can't use the same strategy that we used last year.

Mr. STONE. We hear what you are saying, Mr. Chairman, and we are going to try and satisfy the House. That is a project that is very important to the Secretary of Defense. He has told his staff that he cares a lot about it. I think he communicated to Senator Laxalt that concern, and my expectation is that he would communicate it to you.

Senator MATTINGLY. I have heard all the concerns. I don't think that is going to get the job done, to be honest with you.

Now I can assure you that the impasse obviously lies in the State Department and the National Security Council. I wish you would take my statements here and transmit those to State Department and to Mr. Clark and see if they can't respond in some way to it. I think we are in sort of an impasse here.

Mr. **MAYHEW**. Senator, when you speak of the impasse you mean on getting additional written assurances on Ras Banas?

Senator **MATTINGLY**. Getting the country-to-country agreement. I have got a feeling the State Department doesn't want one.

Mr. **MAYHEW**. No; I don't think that is correct. I think we both would like to have such an agreement, could it be negotiated. [Deleted.]

I think the context of this is that it is an internal issue of political sensitivity there. They are coming out of a period of a hundred years of colonial domination and they threw out the Russians in 1973 for a similar domination.

I am just giving this background and this does not really help on the impasse, but I think that their attitude is that they have given the assurances that we need to use Ras Banas, we should go ahead with the construction of it, and that we will find that they cooperate with us in that and in every other use of Ras Banas. [Deleted.] I would say that again while it may not help the impasse, in fact what will make Ras Banas available to us is our congruity of interest in the Middle East and not any specific piece of paper.

Senator **MATTINGLY**. Well, that may be good for the record that we will have here, but I don't think it will be good to convince people in the House of Representatives.

That is the point I am trying to make. If it takes you all requesting some way those members of those committees come to a secret briefing somwhere in order to convince them, then I think that that needs to be done.

I was there last year and we are not going to win because it is the same people on that committee over there, maybe even with a slightly worse structure than they had last year, which is not going to endear them to Ras Banas with no more information than we had last year. I don't want to go over the same ground over and over.

Mr. **MAYHEW**. I think we agree on our definition of the problem entirely. What we would be looking for is something, [deleted] we will be searching for some way that we can satisfy this requirement.

Mr. **STONE**. We understand your message, Mr. Chairman. We have taken it to heart and we will work very hard to convince the House of the wisdom of going ahead with Ras Banas.

Senator **MATTINGLY**. I think we are all in agreement here. It is just the same old thing. It is like preaching to the choir, that it won't help unless we can get new people in the choir.

I would like to express my thanks to you this morning, Mr. Stone, and all the Defense Department witnesses for their fine presentations. I am hopeful that today's testimony will provide the subcommittee with valuable information which can assist us to review this budget process that we are now in.

SUBMITTED QUESTIONS

I would like to say that while a lot of questions have been asked during today's hearing, the subcommittee will submit further questions for this record, as I said in the beginning.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MATTINGLY

QUESTION: Do our allies who provide host nation support in the construction areas have any specific distribution required of their funds? For example, how much might go for family houing, how much for operational facilities, or how much for recreational facilities?

ANSWER: They do not have a specific distribution requirement but they do have general requirements. The Japanese host nation support, other than quid pro quo construction, has in the past been exclusively for non operational type facilities. In Korea, their host nation support construction has been directed at operational facilities and family housing. There has been no arbitrary percentage distribution.

QUESTION: Since there is much concern over what specific actions have been taken toward increasing host nation support, can you tell the subcommittee what Defense and State have done to address this issue, particularly in Germany, Great Britian, Japan and Korea?

ANSWER: In Europe we are pressing for increased support through increases in NATO infrastructure funding. While we contribute 27 percent of the program's total costs, approximately 45 percent of all programming has been in support of U.S. force requirements. We now have a consensus that the infrastructure fund ceiling will be increased this Spring by at least $475 million. Discussions have already begun on requirements for the 1985-1990 funding cycle. We are hopeful that the agreed infrastructure ceiling will be significantly higher than the $3.2 billion available for the period 1980-1984. The larger infrastructure program will also generate greater burdens for the European host nations in terms of provision of real estate, roads, and utilities. In Germany, last year, a wartime host nation support agreement was signed whereby the Germans will provide over 90,000 support personnel for U.S. forces. Currently, we are negotiating with the Germans to build facilities under a master restationing plan that would move three U.S. Army brigades forward. There have been several high level meetings with the Germans and we are hopeful of getting eventual German funding. In Japan, host nation support is provided through the relocation construction program and the facilities improvement program. Under the first program, the U.S. receives newly constructed facilities in return for the release of older areas and facilities. The estimated total value of the construction is about $1.1 billion. Started in 1979, the facilities improvement program provides construction of most housing, logistics and support facilities for U.S. forces. During 1983, the Japanese will fund $209 million in construction. In response to stated U.S. requirements, we anticipate contributions to increase to a peak of $400 million annually and to continue at that level into the 1990s. Host nation support is provided in Korea under the Combined Defense Improvement Projects Program. Under this program, Korea provides personnel support, transportation, and construction of operational facilities.

Additional details regarding ongoing host nation efforts are included in the burdensharing report which is provided for the record.

QUESTION: Please tell us to the best of your ability now, but in detail for the record, how much during the past 10 fiscal years has been prefinanced by the United States? Please show this by project and the amount of recoupment on each project to date.

ANSWER: We do not have the information in Washington on each project that has been prefinanced. This information will have to be collected by the theater commanders. When the information is available, it will be provided to the Committee.

QUESTION: If the prefinanced projects are of the highest priority, why do we not request funds for these projects in the next slice?

ANSWER: The U.S. has or will be submitting these projects for consideration in the next slice. Because of the currrent critical shortage of infrastructure funds, we know that these projects stand little chance of being programmed in this slice year. The Major NATO Commanders have stated that the low level of funds remaining will only allow continuation of some ongoing projects, some essential restoration of existing facilities and mandatory administrative and management expenses. There will be almost no programming for new projects unless the Allies agree to a significant increase in the current fund ceiling.

COBS

QUESTION: I understand that one of the biggest concerns in the past couple of years for prefinancing has been the funds for the Co-located Operating Bases (COBS) for the Air Force. Funds have been provided and last year direction was given by the Congress not to seek further prefinancing of COBS. Why then have you requested some $40 million for these facilities in FY 1984?

ANSWER: Although the Authorization Committees approved $28.6 million for COB prefinancing in FY 1983, there were no funds appropriated. The operational requirement for facilities at COBS is still urgent and, because of serious fund shortfalls, the NATO Infrastructure Program is unable to program these projects at a satisfactory level. Some additional NATO funds are anticipated during FY 1984 and DOD is hopeful that some additional programming will be available for other COB requirements, however, prefinancing is still needed for these facilities. We would also expect recoupment for U.S. COB prefinancing in the new fund cycle beginning in 1985.

QUESTION: The Air Force is also seeking funds to prefinance projects in Turkey which are COBS-type facilities at $66 million. What position has the Turkish Government taken on these facilities? Is there any Turkish contributioin to the projects? Do these facilities have more than a NATO mission due to their location?

ANSWER: U.S. and Turkish officials signed a memorandum of understanding (MOU) in November 1982 pertaining to the use of Turkish air bases as collocated operating bases (COB) for U.S. deployed aircraft.

- Pursuant to the COB MOU, the Turks have authorized access to Batman and Mus for USAF reinforcement aircraft in support of agreed NATO plans. The degree of sharing of existing facilities at Batman is currently being determined by USAFE and Turkish Air Force Command staff officers.

- Turkey has filed a statement of intent to prefinance for construction of the airfield at Mus. The Turks will prefinance construction of facilities for a Turkish unit(s).

QUESTION: I understand that in some cases the NATO criteria for projects and the United States criteria may differ. With regard to COBS, are these facilities being built to NATO or U.S. standards? If they are U.S. standards, then is it safe to assume that all of the money prefinanced and/or requested will not be NATO eligible?

ANSWER: The minimum essential facilities (dispersed parking, ammunition and fuel storage) required at the COBS would all be constructed to NATO criteria and standards. Therefore, 100 percent of the prefinancing funds being requested ($44 million) would be eligible for recoupment.

QUESTION: Tell the Subcommittee specifically how NATO standards differ from U.S. standards and why.

ANSWER: In the specific case of the facilities requested at the COBS, there will be no deviation from NATO standards. However, there are instances where U.S. standards have to be applied to NATO-funded construction.

NATO infrastructure criteria and standards have been established to meet minimum wartime standards and, therefore, are generally austere and oftentimes unsuitable for continuous peacetime operations. It is a common practice among all the NATO nations to conjunctively fund portions of a NATO-funded project which are outside of criteria. These project expansions provide additional space required for peacetime operations, and/or satisfy nationally-mandated health and safety standards.

QUESTION: The Defense Appropriations Bill, as contained in the continuing resolution passed in December, placed restrictions on the number of military personnel (troop strengths) which can be assigned to Europe as of the end of fiscal 1983. I believe that this restriction was tied to the authorized level for Europe at year end fiscal 1982. What was this level and what were the actual number of personnel assigned?

ANSWER: The FY 1983 Defense Appropriations Bill set a ceiling on the number of U.S. military personnel we could have permanently stationed ashore in European NATO countries at the end of FY 1983 at 315,600. This is the same number we had planned to have at the end of FY 1982. Our actual strength at the end of FY 1982 did exceed our planned strength by about 7,400 people. However, the major reason for this difference is that the actual strength data reported on September 30, 1982 included about 6,900 people who are not permanently based in European NATO countries but were only over there on temporary duty -- primarily for the REFORGER training exercise. The 500 people by which we exceeded our planned strength is not excessive considering it represents a deviation of less than two one thousandths of a percent of the planned strength.

QUESTION: I have asked the last question due to the continued initiatives in the area of new weapons systems for Europe. Will there not have to be some reduction in troops and possibly missions to allow for the new systems to be placed in Europe?

ANSWER: Not necessarily. The Bill also contained a provision that the ceiling limitation may be waived by the President upon a declaration to Congress of overriding national security requirements. However, at the present time, the OSD and JCS staffs are reviewing our planned strength levels in both FY 1983 and FY 1984 in light of the Congressional ceiling on the number of U.S. military personnel we can have permanently based ashore in European NATO countries at the end of FY 1983. This review is not yet complete and therefore your question cannot be answered specifically.

QUESTION: Both Japan and Korea have constructed a great many facilities for U.S. Forces. How is the determination made as to what requests are made of these governments for specific projects? Does the Defense Department integrate in advance the requested projects between the budgets for U.S. funding and Japanese or Korean funding?

ANSWER: The projects are first identified at the base level and was forwarded to the in-country service commander for review and prioritization. They are then forwarded to the in-country unified commander for review and formulation of a unified priority list. This list is then forwarded to CINCPAC for review. CINCPAC then forwards the list to the Defense Depatment for review and approval. At each step of the process the list is scrutinized to insure that projects which are prime candidates for the host nation are included in the Japanese or Korean host nation program and that the MILCON then only carries projects which must be in that program.

QUESTION: Please provide for the record a list of the projects ~~included~~ in the budgets of Japan and Korea for facilities in support US forces. What is the amount of financing the US is requesting of these countries for their next fiscal year?

ANSWER: Projects included in the budget of the Government of Japan for facilities in support of US forces in 1983.

a. Facilities Improvement Program (FIP) (See Attachment)

b. Integrated Relocation Construction Program

Service	Location	Project	Scope	Cost (Y Billions)
A	Camp Zama	Family Housing	18 Units	.022
N	Nagai	Relocation of Family Housing Units	LS	.058
MC	Iwakuni	Air Base Facility Survey	LS	.078
N	Sasebo	Substation (Carry over From 1982)	LS	.245
AF	Makiminato	Family Housing	340 Units	10.225
A	Okinawa	POL Pipeline Relocation	LS	1.140

Service	Location	Project	Scope	Cost (Y Billions)
AF	Camp Zukeran	Family Housing (Carry over from 1982)	36 Units	.023
AF	Camp Zukeran	Communication Cable	LS	.012
			TOTAL	11.800

At Y 220/$1, Y11.8 Billion equates to $53.6 million.

Projects included in the budget of the Republic of Korea for facilities in support of US forces in 1983.

Project	Cost ($ Millions)
2nd Infantry Division Upgrade	[deleted]
US Marine Corps Tactical Aircraft Beddown	[deleted]
Contingency Airfield Upgrade	[deleted]
Air Combat Maneuvering Instrumentation	[deleted]
Korean Tactical Air Control System	[deleted]
Korean Combat Operations Intelligence Center	[deleted]
TOTAL	[deleted]

The amount of financing requested in 1984 for facility projects in support US forces from:

a. The Government of Japan is $291,272,000.00 for the Facilities Improvement Program. The amount requested for the Integrated Relocation Constuction Program is not established as yet.

b. The Republic of Korea Government is [deleted].

FY 1983 Facilities Improvement Program

Category	Service	Location	Project	Scope	Cost (Y Billions)
Family Housing					
	MC	Iwakuni	Mid Rise	88 Units	3.586
			Town Houses	100 Units	.650
	AF	Camp Shields	Town Houses	253 Units	7.353
	AF	Camp Courtney	Family Housing	210 Units	7.851
	AF	Camp Motureous	Site Preparation	LS	.051
	AF	Misawa	Site Preparation	LS	.316
	AF	Chibana	Site Preparation	LS	.032
Troop Housing					
	MC	Camp Fuji	UEPH, Training Camp	10,060 SM	.025
	MC	Camp Fuji	Dining Facility, Training Camp	1,487 SM	.016
	MC	Camp Hansen	UEPH	12,076 SM	1.805
	MC	Camp Schwab	UEPH	12,076 SM	1.815
	MC	Futenma	UEPH	6,038 SM	.915
	AF	Kadena	UEPH	12,076 SM	.911
	AF	Misawa	UEPH	6,038 SM	.963
	AF	Kami Seya	UOPH/UEPH	4,229 SM	.045
	N	Yokosuka	Marine Barracks	4,926 SM	.767
	N	Atsugi	UOPH	2,472 SM	.458
	N	Yokosuka	UEPH	5,688 SM	.036
	N	Yokosuka	UOPH Phase II	2,245 SM	.459
	N	Atsugi	UEPH	5,205 SM	.811
	A	Camp Zama	UOPH Modernization	1,091 SM	.005
Other Life Related					
	AF	Misawa	Commissary	7,200 SM	1.257
	A	Sagamihara DHA	Commissary Reconstuction	2,007 SM	.438
	A	Camp Zama	Post Office	557 SM	.108
	MC	Camp Fuji	Cold Storage Plant	475 SM	.007
	MC	Camp Hansen	Fire Sation	279 SM	.009
	A	Camp Zama	Community Service Center and Trift Shop	682 SM	.011
	N	Atsugi	Improve Water System	LS	.057
	N	Yokosuka	Relocate Special Service Building (Survey/Design)	4,862 SM	.034
	MC	Camp Courtney	Chapel	1,057 SM	.297
	MC	Camp Fuji	Dental/Medical Facility (Survey/Design)	412 SM	.009

Category	Service	Location	Project	Scope	Cost (Y Billions)
	N	Atsugi	Golf Net	0.7 KM	.207
	A	Camp Zama	Electrical Upgrade (Survey/Design)	LS	.009
	A	Sagamihara DHA	Youth Center Reconstruction	264 SM	.054
Environmental					
	A	White Beach	POL Storage Tank with Maintenance Building	140M BBL	1.314
	N	Yokosuka	Waste Disposal Building	LS	.007
	N	Sasebo	Reconstruct POL Tank Y-4	379 MBBL	1.369
	N	Sasebo	Reconstruct POL Tank Y-6	379 MBBL	.110
	N	Koshiba	Reconstruct POL Tank No. 6	203 MBBL	.012
	A	Camp Zama	Storm Drainage	LS	.106
	AF	Kobe	Sewage Disposal	LS	.016
Support Facilities					
	MC	Camp Hansen	Organizational Maintenance Shop	2,093 SM	.337
	AF	Kadena	Combined Communication Support Facility (Survey)	1,620 SM	.004
	N	Yokosuka	All Weather Heliport	LS	.151
	MC	Camp Hansen	Confinement Facility	LS	.072
	MC	Camp Courtney	5th MAB/MAF HQS	LS	.031
	N	Koshiba	Security Fense	3 KM	.072
	N	Tsurumi	Oil Berm	LS	.009
	N	Tsurumi	Fire Fighting System	LS	.012
	MC	Yosami	Ground System	LS	.036
	MC	Iwakuni	Bridge (Survey/ Design)	LS	.022
	MC	Iwakuni	Warehouse	5,693 SM	.429
	MC	Camp Schwab	Fire Fighting Facility (Survey)	LS	.021
	MC	Camp Hansen	Paradrop Facility (Survey/Design)	LS	.106
	A	Various POL Depots	Fire Fighting System (Survey)	LS	.006
					35.619
	Funds for completing projects initiated in prior year FIBs				14.506
	Administrative costs				0.146
	FY 1983 FIP			TOTAL	50.271

At Y 220/$1, 50.271 Billion Yen equates to approximatley $228,550,000.00.

QUESTION: I believe that in the past the Japanese Government has not built operational facilities. Have there been any discussions with the Government of Japan to change this position?

ANSWER: There have been discussions over the last several years to expand the type of facilities that can be funded. These discussions have been successful to the point that many types of operational facilities can now be submitted. Some constraints will continue to exist such as no munitions storage projects and inability to program operational facilities at sensitive geographical locations but in general the restrictions appear to have been lifted.

QUESTION: Please provide the Subcommittee with detailed information on the beddown of an F-16 Wing at Misawa Air Base in Japan. This information should include the Japanese commitments to the U.S.; the near-term construction programs of both countries; long-term needs for the facility; the amount of money approved thus far for Misawa by the Japanese Government; and the budget projections for completion of the facility by year for both Japan and the United States.

ANSWER: The introduction of first line tactical aircraft at Misawa AB, Japan begins to address a growing disparity in the balance of air forces in the Pacific theater. In the last three years the Soviet Union has deployed three times as many third generation fighters to the Far East as the U.S. has in its entire Pacific Air Forces. The introduction of the F-16 at Misawa will complement present Air Force, Naval and Marine air units in the Pacific. Misawa was selected to base the F-16's because, as the northern most USAF base in Northeast Asia, it best balances the Soviet Far East air threat.

On September 30, 1982, the U.S. Secretary of Defense and the Director General, Japanese Defense Agency (JDA) reached agreement in principal to support the beddown of F-16's at Misawa. In the near-term (FY84 and FY85) the U.S. is requesting $29.9 million in FY84 and $23.6 million in FY85 for munitions storage facilities, alter and construct airfield facilities, alter and construct aircraft operations facilities, alter and construct aircraft maintenance facilities and alter and construct base support facilities. We are requesting $76.0 million in JFY84 and $77.3 million in JFY85 for family housing and unaccompanied personnel housing, maintenance facilities, base support facilities, and personnel support facilities. The total five year cost for the beddown, which is phased to the aircraft arrival, is estimated at $104.3 million in U.S. MILCON and $275.0 million in Japanese funding. The host nation would thus be funding 73 percent of the beddown cost. First construction funding by the Japanese Government will be in JFY84 which starts in April 1984. The GOJ will, however, be providing funds for project design and site preparation during JFY83. The budget projection to complete the beddown is as follows:

($Millions)

U.S. MILCON

FY84	FY85	FY86	FY87	FY88	TOTAL
29.9	27.9	19.1	13.7	13.7	104.3

GOJ Funded Construction

JFY84	JFY85	JFY86	JFY87	TOTAL
76.0	77.3	63.7	58.0	275.0

QUESTION: Is it feasible to consider dual-basing this two-squadron wing (slated for Misawa) at a CONUS base and keep one squadron on location at all times? Would there be cost savings by doing this with regard to construction and operation?

ANSWER: No, this would not be feasible. This concept would require long unaccompanied temporary duty stays at Misawa for most of the units personnel. Unaccompanied tours result in lessened operational readiness, increased training requirements, adversely affects morale and ultimately are more expensive. Rotational units require extensive, expensive and scarce airlift assets with associated refueling costs. Permanent basing at Misawa eliminates rotational airlift and refueling costs. Operating at two locations would require duplication of expensive support items such as test equipment. Considering the increased costs of equipment procurement, TDY funds expended, and the cost for airlift to support unit moves, any savings over a prolonged period of rotational operation are questionable. Minor savings do not justify increased assignment turnover and prolonged family separation.

QUESTION: Has the Japanese commitment to build facilities at Misawa had an impact on other U.S. facilities in Japan which no doubt have facility needs? Can you provide the Subcommittee with a list of the projects supported by Japan for U.S. Forces over the last three years--less those provided on a quid pro quo basis because the U.S. vacated a base for the convenience of the Japanese Government. Is the Misawa commitment an addition to Japanese support or part of the already established growth pattern in Japanese support?

ANSWER: We don't expect the commitment to build facilities at Misawa to have an impact on other U.S. facilities. The Misawa commitment is in addition to the existing Japanese Facility Improvement Plan (JFIP). The list of projects provided over the last three years under the JFIP (cost in yen) is attached.

JFY 82 FIP

ARMY		¥ MIL
Cp Zukeran	BEQ	518
Sagamihara	Day Care Center	240
Army POL Depots	POL Fire Prot	202
Sagami Depot	Sewage Trt Plant (Design)	31
Cp Zama	Drainage (Design)	2
Army POL Depots	POL Line (Design)	60
Cp Zama	Utilities (MFH)	82
Cp Zama	Utilities (BEQ)	55
Cp Zama	Incinerator	574
Naha	Pier Recon	548
		2,312

NAVY		
Ikego	Family Housing (Survey)	187
Atsugi	BOQ	1,805
Atsugi	Dining Fac	192
Fukaya	BEQ w/mess	199
Yokosuka	Dining Fac	403
Yokosuka	BOQ	980
Cp Shields	BEQ	946
Atsugi	Elementary School	148
Yokosuka	Personnel Center	868
Cp Kuwae	Hosp Sprinkler Sys (Survey)	7
Sasebo	Sewage Coll Sys (Survey)	18
Akasaki	POL Tank	755
Yokose	POL Tank	799
Misawa	Fire Prot, Hangar S&D	21
Atsugi	A/C Pk Aprn (Design)	15
Atsugi	Utilities (BEQ)	112
Yokosuka	Utilities (BEQ)	59
Atsugi	Utilities (NEX)	71
Yokosuka	Ship to Shore Waste	257
Yokose	POL Tank Y-1	752
		8,594

MARINE CORPS		
Iwakuni	BOQ	1,699
Iwakuni	BEQ	907
Iwakuni	BEQ	1,763
Iwakuni	Dining Fac	392
MSA	Dispensary	540
Cp Zukeran	Sports Fac	54
Futenma	Sewage Disp Line (Survey)	16
Cp Zukeran	Oil Filt/Separators (Design)	19
Numazu	Landing Fac (Survey)	11
Futenma	A/C Maint Hangar	1,212
Cp Hansen	Organic Unit Stor	909

Cp Schwab	Com/Elect Maint Shop	241
Cp Schwab	Organic Unit Stor	256
NTA	Base Camp Complex	762
Cp Hansen	BEQ	121
Cp Schwab	BEQ	906
Cp Fuji	Fuel Storage	54
Iwakuni	Sewage Disp Fac	10
Iwakuni	A/C Hush House	1,024
Iwakuni	Fuel Dolphin	437
Cp Fuji	Admin Fac	62
Futenma	Fuel Hydrant Syst	672
Cp Schwab	Lvt Maint Fac	444
		12,511

AIR FORCE

Cp Shields	Family Housing	1,747
Misawa	Dining Fac	341
Misawa	BEQ	963
Misawa	BOQ	547
Yokota	BEQ	1,608
Kadena	BEQ	1,859
Kadena	Util Upgrade (Survey)	81
Kadena	Oil Filt/Sep (Survey)	3
Misawa	Family Housing	1,649
Kadena	Family Housing	3,006
Cp Shields	Family Housing	1,480
Misawa	Water Syst (Design)	23
Yokota	Incinerator	592
Kadena	HAS	2,933
Kadena	HAS (Design)	28
		16,860
	TOTAL	40.277
	ADMIN EXP	609

JFY 81 FIP

ARMY		¥ MIL
Naha	Sewage Coll Syst	88
Naha	Pier Improvements (site invest)	52
Cp Zama	Family Housing	535
Cp Zama	BEQ	401
Cp Zama	Town House Sewage Disp	2,273
		3,349

NAVY

Ikego	Family Housing (site invest)	49
Cp Shields	Relocate Facs	584
Atsugi	BEQ	1,148
Yokosuka	BEQ	1,165
Atsugi	NEX	586

Yokosuka	Utilities Upgrade (site invest)	38
Sasebo	Utilities Upgrade (site invest)	8
Yokose	POL Tank T-1 (design)	45
Atsugi	Hush House	1,192
Yokosuka	Ship to Shore Sewage Coll	2,128
Atsugi	Support for JFY 80 Proj	1,087
Yokosuka	Support for JFY 80 BEQ	183
		8,213

MARINE CORPS

Cp Hansen	BEQ	2,220
Futenma	BEQ	2,179
Cp Butler	BEQ/BOQ Upgrade (survey)	9
Cp Fuji	BEQ w/mess	439
Cp Fuji	BEQ/BOQ	493
Cp Fuji	Latrine/Shower	222
Cp Schwab	BEQ	1,153
Cp Fuji	Fire Station	99
Cp Fuji	Water Dist	73
Iwakuni	Util Upgrade (site invest)	30
Cp Zukeran	Util Upgrade (site invest)	26
Iwakuni	Hush House (site invest)	7
Cp Fuji	POL Storage	48
Iwakuni	Fuel Dolphin (site invest)	38
Futenma	A/C Fuel Hydrant (design)	33
Cp Schwab	Track Vehicle Maint (design)	35
Cp Fuji	Admin/Hq Bldg	145
Iwakuni	Family Housing	432
Cp Fuji	Sewage Disposal	420
Iwakuni	Sewage Disposal	560
Cp Courtney	Ext Work BOQ	324
		8,985

AIR FORCE

Misawa	Family Housing	2,300
Kadena	Family Housing	4,991
	Site Development 124	962
Cp Shields	Family Housing (site dev)	250
Misawa	Water Syst (site invest)	58
Yokota	Util Upgrade (site invest)	38
Misawa	Util Upgrade (site invest)	33
Kadena	Hush House	1,164
Kadena	Hardened Aircraft Shelters (design)	54
Misawa	Family Housing	1,111
Yokota	Incinerator	137
Misawa	Demolition BEQ	33
Yokota	Ext Work	939
		12,070
	TOTAL	32,617
	ADMIN EXP	85
		32,702

JFY 80 FIP

	ARMY	¥ MIL
Cp Zama	Family Housing	2,529
Cp Zama	BEQ (design)	52
Cp Zama	Incinerator (design)	21
Cp Zama	Sewage Treatment Plant	428
		3,030
	NAVY	
Ikego	Family Housing (site invest)	15
Atsugi	BEQ	1,018
Kamiseya	BEQ (design)	23
Yokosuka	BEQ	1,063
Atsugi	Hush House (site invest)	3
Yokosuka	Ship to Shore Sewage (design)	93
Atsugi	Support for JFY 79 proj	3,032
		5,249
	MARINE CORPS	
Iwakuni	Family Housing	3,015
Cp Courtney	BOQ	305
MSA	BEQ	2,428
MSA	Dining Fac	599
Cp Fuji	Sewage Trt Plant (design)	16
Cp Hansen	Sewage Trt Plant	568
Cp Schwab	Sewage Trt Plant	479
Iwakuni	Sewage Trt Plant (design)	18
Cp Courtney	Sewage Trt Plant	289
Iwakuni	Support for JFY 79 FIP	804
Cp Schwab	Safety Fac	236
Cp Schwab	Safety OBs (design)	5
Cp Hansen	Security Fence	49
		8,811
	AIR FORCE	
Yokota	Family Housing	2,218
Misawa	Family Housing	4,095
Misawa	BEQ	1,030
Yokota	Incinerator (design)	21
Misawa	Support for JFY 79 proj	348
Yokota	Support for JFY 79 proj	2,349
		10,061
	TOTAL	27,151
	JFY 79 sup	40
	ADMIN EXP	63

SPAIN AND PORTUGAL

QUESTION: With regard to requests for Spain and Portugal, what is the status of the basing agreements with these countries? Specifically, will Lajes Air Base in Portugal be available to support U.S. initiatives for the Rapid Deployment Force?

ANSWER: The agreement with Spain has been signed. Formal negotiations with Portugal are currently on hold pending their national elections on April 25, 1983. These negotiations started in December, 1982. Having thus begun, the current agreement remains in effect beyond its original expiration date of February 4, 1983. While formal negotiating sessions are not being held, working level sessions were held in January and March and we fully expect a successful conclusion of these talks after the elections. Use of Lajes to support SWA contingency operations is not included in the current agreement, but is a subject of the negotiations. We believe that Portugal's past record of cooperation reflects favorably the outcome of these negotiations.

QUESTION: Regarding Ras Banas, Egypt, the House - as you are all very aware - has made it continually clear that they consider a country-to-country agreement almost essential. I know that prior to my becoming Chairman you responded to direction included in the fiscal 1983 military construction appropriations conference report. What position has the House taken on your response? Staff informs me that my distinguished colleague and former Chairman of this Subcommittee, offered no objection. I seek your support for this issue because I want to be in a position before we actually go into conference with the House to know what can reasonably be expected on Ras Banas. I know that Senator Laxalt was totally frustrated by the Ras Banas issue over the last two years. We must get this issue settled.

ANSWER: The House Subcommittee has asked for additional information on efforts made by DoD to obtain additional written assurances from the Government of Egypt regarding the use of Ras Banas.

Comparison of Allied Military Construction Outlays

QUESTION: While our allies may be prefinancing NATO projects, do any of these countries also have military construction budgets equal in percentage to the United States (as compared with total defense expenditures)? Please provide the Subcommittee with total defense expenditures and military construction budget of our NATO allies.

ANSWER: Yes. On an average our NATO allies spend over twice as high a percentage of total defense expenditures on military construction than does the United States. In 1981, while the United States spent 1.5% of its total defense expenditures the non-US NATO countries (less

France, Greece, Turkey and Luxembourg for which we have only limited data) spent 3.4%. In fact, US had the lowest percentage of any NATO country.

Total Defense Expenditures and Military
Construction Expenditures for 1981

1981 Prices and Exchange Rates - Millions US $

	Defense Expenditures	MC Expenditures	% of Defense Exp.
Belgium	3390	(deleted)	(deleted)
Canada	5650	"	"
Denmark	1440	"	"
Germany	23,090	"	"
Italy	8680	"	"
Netherlands	4,530	"	"
Norway	1,650	"	"
Portugal	840	"	"
United Kingdom	26,420	"	"
Total Non-US NATO (a)	75,690	" 2,583	" 3.4
United States	162,340	2,463	1.5

(a) Excludes France, Turkey, Greece and Luxembourg.

QUESTION: Can it be determined how much of the $150 million required for funds for the NATO Infrastructure account would be used towards recoupment of U.S. prefinanced projects? In total, how much does the NATO Infrastructure account owe to the NATO members?

ANSWER: Although we are requesting only $150 million in new funds, the total requirement for FY84 is $300 million. Because there is a critical shortage of NATO funds in the last year of a five year funding period, it is unlikely NATO will program any of the funds for recoupment. Recoupments should resume in FY85 which is the first year of the new funding cycle. During the past year, other NATO members prefinanced over $400 million but we have no way of determining how much of this is eligible for recoupment. Some of this is precautionary prefinancing which will never be eligible for NATO funding.

QUESTIONS SUBMITTED BY SENATOR SASSER

OVERSEAS

QUESTION: I am concerned with the trend toward placing a growing share of military construction funds overseas. This year the budget projects a $600 million increase in specified projects outside the U.S. This is a 50 percent increase over the current year. Please provide for the record a table for fiscal years 1982-1983 outlining the number of projects and the total amount enacted for the following regions: Europe, Persian Gulf/Middle East/Southwest Asia, and Japan/Pacific/Korea. Please provide another column in the table outlining the fiscal year 1984 request in this manner. Also provide a table outlining, by year, the same information based on the five year planning estimates for fiscal years 1985-1988.

ANSWER: OVERSEAS MILITARY CONSTRUCTION
($Millions)

	FY82		FY83		FY84	
	#Projects	Approp	#Projects	Approp	#Projects	Request
Europe	144	567	192	917	235	1321
Southwest Asia	9	684	7	248	12	256
Pacific	65	229	69	326	100	353

	FY85		FY86	FY87	FY88
	$Projects	Estimate	$Estimate	$Estimate	$Estimate
Europe	245	1048	1293	2894	1740
Southwest Asia	5	231	77	0	0

NOTE: Specific line item projects not identified beyond FY85. Data for the Pacific area will be available in detail for first time in FY85 POM and provided for the record at that time.

COBS

QUESTION: You are requesting $110 million for "minimum essential facilities" for select colocated bases in Europe. Last year the Administration requested $28 million for COBS and the Congress denied the request. Are these projects NATO-eligible?

ANSWER: Of the $110 million requested for Air Force prefinancing, only $44 million will be for "minimum essential facilities" (dispersed parking, fuel and ammunition storage) at nine bases in five countries. Some $66 million will be used to upgrade two airfields in Turkey. Construction requirements in Turkey are more extensive than just minimum essential facilities, however, all projects are NATO-eligible and recoupment is expected. The Government of Turkey is also prefinancing a portion of the work at these bases.

QUESTION: What efforts has the United States made to secure NATO funding for these facilities before requesting them in the DOD military construction program?

ANSWER: Requests for NATO funding of minimum essential facilities (MEF) at a number of COBS have already been submitted to the Major NATO Military Commander (SACEUR) for programming. However, because of the current scarcity of NATO infrastructure funds, these projects, along with a significant number of other high priority allied projects can simply not be programmed in FY84. The new multi-year infrastructure funding cycle begins in FY85 and with a new infusion of NATO funds we expect the high levels of programming to include projects at COBS. The urgent operational requirement for these projects dictate that we request prefinancing for FY84.

QUESTION: What is programmed in the next five years for COBS?

ANSWER: Because DOD expects the resumption of significantg NATO programming of COBS in FY85, the start of the new infrastructure fund cycle, FY84 will be the last year prefinancing for MEF at COBS will be requested. The following table shows the level of programming which will be requested for NATO Infrastructure:

SLICE	36	37	38	39
(FY)	(85)	(86	(87)	(88)
	$90M	$72M	$44M	$28M

Slice 39 would complete known requirements.

QUESTION: What efforts will be made to seek NATO funding for the five year COBS program?

ANSWER: DoD will seek NATO infrastructure funding for all COB requirements from FY85 and beyond if expected supplemental NATO infrastructure funding in FY84 is realized, we expcect some portion of the additional funds to be used for COB programming.

QUESTION: The COBS program is assessed a high priority in the Pentagon but not by NATO. Senator Thurmond, the Chairman of the authorizing committee, recently reported following a trip to Germany that "NATO has programmed only $1 million for COB construction for next year." Senator Thurmond also noted "the failure of NATO to continue to accord COB construction sufficient priority." Why does NATO see COBS as such a low priority program?

ANSWER: Facilities at COBS are a priority NATO program, however, it is one of many priority infrastructure requirements, all of which are currently competing for very limited NATO funds. Because of the funding shortfall, the major NATO commanders have had to limit programming to among other things, completion of ongoing projects, essential restoration of existing facilities and support for new weapons systems deployments--such as Patriot. FY85 will mark the start of the new multi-year NATO funding cycle and, with the new infusion of funds, we are confident that programming for COBS as well as other priority reinforcement support projects will take place.

MRP

QUESTION: Are there any funds requested which are programmed to fund the Master Restationing plan in Germany?

ANSWER: There are no funds in the FY 1984 request for the Master Restationing Plan.

QUESTION: What is included in the five-year plan for MRP?

ANSWER: Commencing in 1985, sufficient funds are contained in the Army's five year program to cover the anticipated U.S. funded portion of the MRP. Starting in 1985, we are also expecting a German contribution.

QUESTION: What is the status of negotiations with the Federal Republic of Germany to help finance MRP?

ANSWER: Since March 1981, there have been four meetings of a working group or Committee of Experts, and two meetings of a Senior Level Committee. The experts have identified the technical and administrative problems associated with the MRP, and have agreed upon the allocation of responsibilities to either Germany or the United States to resolve the problems. The experts did not agree upon a cost sharing arrangement for the facilities required for the restationed troops. During the most recent meeting of the Senior Level Committee in mid February 1982, the U.S. delegation described the benefits of the MRP to both countries and told the German delegation that we would be seeking a cost sharing agreement in 1983.

QUESTION: What is the projected cost of implementing MRP?

ANSWER: Construction cost for the facilities required for the restationing units is estimated to be $1.3 billion.

QUESTION: What was the projected cost to fund MRP as it was first justified to the Congress? Last year DOD testified the total cost to be $1.2 million.

ANSWER: The MRP as presently structured has always been estimated to cost around $1.2 billion. As the program develops and the requirements are better defined we can expect some changes in the cost estimate. Our current estimate is $1.3 billion.

QUESTION: What portion of the cost of MRP are we seeking from Germany?

ANSWER: We have not worked out a cost sharing agreement with Germany, but we have proposed that they pay for the facilities that they would construct for their own troops. This would include barracks, dining facilities, maintenance and administrative facilities and would cost about 70 percent of the total construction. The remaining 30 percent would be for community support facilities such as chapels, gymnasiums, and exchanges which the U.S. would pay for. This is similar to the cost sharing arrangements under which the new installation at Garlstedt was constructed.

QUESTION: If negotiations on MRP with Germany fail will DOD seek unilateral funding for MRP?

ANSWER: We are optimistic that negotiations with Germany will be successful and the Army's five year program is structured this way. If we are not successful, it will be necessary to review our construction programming policy for Europe and make appropriate changes in our out year programs. We would be seeking funds for facilities that would be constructed at the MRP sites required to support force modernization initative and which are now included in the Master Restationing Plan.

QUESTION: Is the Master Restationing Plan the product of NATO negotiations? Has NATO endorsed MRP?

ANSWER: The MRP is fully in consonance with the NATO forward defense policy. The MRP is a program that is being negotiated between the U.S. and Germany, as an American initiative identified in a list of bilateral issues in the Stoessel demarche of November 1980.

QUESTION: The Army is adopting a new war fighting doctrine in Europe, the Air Land Battle. This new doctrine emphasizes hitting the second echelon Soviet and Warsaw Pact troops behind the lines before reinforcement. Does the Air Land Battle doctrine render MRP less important?

ANSWER: No. The Air Land Battle concept calls for taking control of events from the enemy by locating and attacking targets deep within enemy territory. By striking supply and transportation facilities and by neutralizing reinforcing second echelon forces before they reach the forward battle area, we increase the chances that our front-line forces will be able to defeat the first echelon of any Warsaw Pact attack. The Master Restationing Plan involves forces that can better deal with the first echelon if they are forward stationed. Furthermore the Master Restationing Plan serves other important purposes: it provides facilities needed to modernize the U.S. Army in Europe and it improves living and working conditions for U.S. soldiers and their families.

NATO

QUESTION: There is a growing concern in the Congress that since the Long-Term Defense Program was established in 1978 our European Allies have not lived up to the three percent annual real growth in Defense spending while this country debates real defense growth of as much as 10.8 percent in FY 1984. Provide a table for the record which outlines the real growth in defense for all members of NATO over the past five years.

ANSWER: The Long Term Defense Program (LTDP) was developed as a means of strengthening ongoing NATO force planning and national programs in the face of the challenge to Alliance security posed by the continuing Warsaw Pact military build-up. The LTDP called for a far greater degree of long term NATO coordinated defense planning and endorsed a number of specific programs to improve the readiness and combat capabilities of NATO's military forces and the capability to reinforce these forces. All of the LTDP-generated proposals have now been integrated into NATO's force planning cycle and specific reporting unique to the LTDP is no longer required. Coincident with the endorsement of the LTDP but not a part of the program, the Allies also supported a goal of increasing defense budgets annually by some three percent in real terms. In a May 1978 communique of the North Atlantic Council, "Allied Leaders noted with satisfaction that almost all countries had indicated their intention to adjust their financial plans for defense in accordance with the aim, established in the 1977 NATO Ministerial Guidance, of an annual increase in defense expenditure in the region of three percent in real terms." The NATO nations still endorse this goal, however, national political and economic realities have caused fluctuations in real growth rates from year to year. Some countries like Turkey have experienced severe economic problems, particularly inflation. While they have not reached the three percent goal, they have reflected real growth in most years in spite of their economic and political problems.

The following table outlines the real growth in defense for all members of NATO over the past five years.

NATO COUNTRY DEFENSE SPENDING[a] [b]

Percent change from Previous Year in Constant Prices (Excluding Inflation)

	1979	1980	1981	1982	1983
Belgium	2.2	2.0	0.9	-6.6	(deleted)
Canada	-0.9	5.1	3.1	3.0	"
Denmark	0.2	0.7	0.4	0.6	"
France	2.5[c]	3.7[c]	3.6[c]	1.5/3.0[c]	"
Germany	1.8	2.3	3.2	-0.2	"
Greece	-2.9	-8.4	22.9	-5.0/-1.1	"
Italy	2.6	4.9	-0.5	2.7	"
Luxembourg	3.5	16.3	4.8	4.0	"
Netherlands	4.2	-1.7	3.3	-1.9/2.1	"
Norway	1.9	1.8	2.7	2.3	"
Portugal	2.9	10.1	1.5	-2.9	"
Turkey	2.6	2.0	1.8	-7.2	"
UK	3.0	2.8	1.3	3.8	"
U.S.	3.4	4.9	4.1	7.5	"

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[a] All of the figures depicted in this table are based on the NATO definition of defense spending and are the best estimates that can be made on the basis of information now available.

[b] National fiscal years agree to calendar years except as follows: Canada and UK (April-March), U.S. (October-September). Turkish data through 1981 are based on March-February fiscal year. In 1983, Turkey will convert to a January-December fiscal year. The Turkish figure for 1982 covers a 10 month (March-December) transition year.

[c] DoD estimate.

NATO

QUESTION: What are the prospects that our NATO allies will honor their LTDP commitment in future years?

ANSWER: We have no reliable away to determine the probability that all the Allies will meet their LTDP goals--now NATO force goals. The allies, as we do, continue to support these operational requirements--including the three percent growth in defense budgets--as a matter of priority while recognizing that economic and political changes can significant affect attainment of these goals.

QUESTION: The present five year NATO infrastructure slice is for $5 billion over the period FY 1980 - FY 1984. The U.S. share is 27 percent. It has been reported that we have identified some $7.9 billion in NATO infrastructure requirements for the next five year slice - FY 1985-89. The U.S. share of this amount will be $2.1 billion. Does the $7.9 billion in identified requirements include funding for colocated bases? If so, how much?

ANSWER: At the current exchange rates, the NATO infrastructure fund ceiling for the period 1980-1984 is $3.16 billion with the U.S. share at 27 percent. For the six year period of 1985-1990, the Major NATO Military Commanders have identified NATO-eligible infrastructure requirements totalling some $21 billion. By comparison with previous totals, however, these new sums also include allowance for engineering fees, national administrative expenses and 10 percent in contingencies. The $21 billion is the unconstrained total of all project requirements submitted by all the NATO nations. Although the final detailed request has not yet been submitted to NATO HQ by the NATO military, the U.S. has been informed that there is between $900-$1000 million identified for airfield facilities to support reinforcement aircraft. The detailed request due in August 1983 will reflect a fund ceiling that is more probable given nations' financial considerations and implementation capabilities.

QUESTION: Does the $7.9 billion in identified requirements include a requirement for recoupment of prefinanced NATO-eligible projects the U.S. has built? If so, how much recoupment is identified? If not, why aren't we seeking recoupment as a legitimate requirement in the next five year slice?

ANSWER: The six year unconstrained total of all identified infrastructure requirements includes all U.S.-prefinanced projects for which recoupment has not been programmed.

QUESTION: Provide for the record a complete breakdown of the $7.9 billion in NATO infrastructure requirements which have been identified for each of the next five years.

ANSWER: The total of all identified U.S. infrastructure requirements is not immediately available. The detailed August 1983 infrastructure request of the major NATO commanders will afford a breakdown of anticipated construction in the 1985-1990 period.

QUESTION: Is the U.S. share of NATO infrastructure funding subject to the negotiations on the next five year slice? If so, will the U.S. seek a redirection in the current 27 percent share?

ANSWER: At each negotiation for a five or six year slice group, any nation can request reconsideration of its cost share. The U.S. now pays 27.42 percent of the total program (23.75 percent for those projects in which France participates). Cost shares are indeed negotiated but, in general, reflect a nation's economic capabilities, production base, GNP, etc. By comparison, the U.S. GNP is over 50 percent of the total NATO GNP. Therefore, we do not intend to reopen the question of our cost share which is considered to be to the U.S. advantage.

RECOUPMENT

QUESTION: How much is included in the budget for prefinancing of NATO-eligible projects? List each project and indicate why it is of sufficient priority to merit prefinancing.

ANSWER: The following FY 1984 projects are proposed for prefinancing. All projects are eligible for NATO infrastructure funding.

Prefinancing is proposed due to the scarcity of NATO infrastructure funds in the current multi-year (1980-84) funding cycle. Only some $400 million remains for infrastructure programming in the last year (FY84) of the cycle. The Allies are currently discussing supplemental funding for the FY84 infrastructure program. Some $475 million in additional funding is anticipated which could provide some recoupment--particularly for the Iceland fuel pier.

In the absence of significant additional funding recoupment will not be possible until FY85--the first year of the new NATO funding cycle.

Air Force

Minimum Essential Facilities (MEF) at 13 Collocated Operating Bases (COBs) in NATO Nations	$44M
Airfield facilities for U.S. NATO-assigned Tactical Air Reinforcement squadrons at two Turkish bases	$66M

Comment. Due to scarce infrastructure funds, only one COB has been programmed in the current NATO program (FY83). If supplemental funds are made available, indications from the NATO commands are that additional COBs will be included in the FY84 NATO program--due for approval in December 1983. These projects are essential for support of U.S. NATO-assigned tactical reinforcement aircraft.

Navy-

The NATO portion of a joint U.S.-NATO cost-shared fuel pier in Iceland. Total project cost -	$22M
General warehouse in support of NATO-assigned U.S. fighter aircraft	$4M

Comment. The Navy intends to prefinance the NATO share of this project due to the current lack of infrastructure funds. The NATO Commander intends to program the NATO project (will provide recoupment) in Slice 36 - due to be approved in late 1984. Possibility of partial recoupment in Slice 35 (FY84). The current lack of fuel reserves in Iceland places a severe constraint of the level of air operations which could be sustained.

NATO

QUESTION: Since the NATO Infrastructure Program began, the United States has provided $3.8 billion to the program. In addition we have prefinanced another $832 million in projects which were NATO-eligible. To date we have recouped from NATO a little more than $300 million. When Congress approved the prefinanced projects, it was the understanding that the funds would be recouped. Yet more than $500 million in prefinanced projects have not been recouped. What assurance do we have that the $136 million in requested prefinancing for FY 1984 will be recouped?

ANSWER: The $832 million of prefinancing cited above comes from a recent GAO report (GAO/ID-83-3, Jan 27, 1983) and represents the total prefinanced of both NATO-eligible and non-eligible projects for which a precautionary prefinancing statement was submitted. The DOD response to the report took issue with the GAO's funding (Appendix II, p.36). Of the total, $250 million represents projects or parts of projects which are not currently eligible for NATO funding and should not be considered in the same light as the prefinancing of eligible projects. Normally, the prefinancing of non-eligible projects is accompanied by a "precautionary" prefinancing statement. This recognizes the fact that the projects are not eligible but are of such a nature that they could become eligible at some future time. By submitting a prefinancing statement and adhering to prescribed NATO procedures the U.S. reserves the right to recoup funds in the future should the projects become eligible. DOD takes the position that our record of recoupment should be measured only against the total of eligible projects prefinanced. This totals $582.9 million of which 53.8 percent or $313.7 million has already been recouped. An additional $59.4 million is included in approved slices and should be recouped in FY83 and FY84 which will increase the percentage of recoupment to some 65 percent of the total of eligible projects prefinanced. Since the date of the report, additional funds have been recouped raising the total recouped to $319 million and leaving a balance of $217 million or prefinanced NATO-eligible projects which require programming by the NATO military before recoupment procedures can be initiated. DOD has no "iron-clad" assurance that recoupment will occur, however, we have been particularly careful in the selection of projects for prefinancing in FY 1984. These reflect not only priority U.S. requirements but those of the NATO military commands as well. These are projects which, if, sufficient NATO funds were available, we believe would be programmed in current slices.

QUESTION: What efforts have been made to secure NATO funding for each of these projects prior to including them in the military construction request?

ANSWER: U.S. submissions for COBs projects have been submitted or are under development. The major NATO commanders have already stated that, due to the current severe shortage of infrastructure funds, it will not be possible to program even moderate levels of new construction. U.S. project submissions for these projects have to be deferred to at least FY 1985.

QUESTION: In late January the General Accounting Office issued a report on the NATO Infrastructure Program. The report indicated, "About $250 million or 30 percent of the total amount prefinanced by the U.S. military services is currently categorized as non-recoupable." Why are these fund considered non-recoupable?

ANSWER: The $250 of projects were MILCON funded because they were not NATO-eligible. However, because of their nature, they might become eligible at some future time. In order to protect U.S. investments "precautionary" prefinancing statements are routinely submitted to NATO HQ. As appropriate, the U.S. will initiate requests for expansions of eligibiliy. However, each such request has to be subjected to a cost anaysis to determine any economic advantage for the U.S.

QUESTION: Please list for the record each prefinanced project not considered now recoupable, the cost of the project, the year it was prefinanced, the reason it is considered non-recoupable, and the efforts which have been made to recoup these funds.

ANSWER: Over the years, the U.S. has submitted precautionary prefinancing statements on several hundred MILCON - funded projects in the event that some projects or portions of projects should become eligible in the future. None of these are currently recoupable because they are not eligible for NATO infrastructure funding. Of all the projects submitted for precautionary prefinancing, it is impossible to determine which portions of such projects will eventually be recouped.

QUESTION: The GAO recommends that the Congress consider the creation of a separate "rolling fund" or revolving fund to finance future prefinanced projects. Under such a mechanism, future prefinancing would be entirely contingent upon the success of U.S. recoupment. What is the Department's opinion of the GAO recommendation?

ANSWER: As indicated on p. 45, Appendix II of the report, DoD does not concur with the GAO's proposal as stated. "The initiation of a prefinancing proposal is properly dictated by military need. On occasion U.S. prefinancing is necessary because NATO can not respond quickly enough. Availability of funds for prefinancing should not be tied to recoupment." Additionally, DoD responded that while the plan might be an incentive to better recoupment performance, the recoupment rate has significantly improved. Based on recent performance, DoD is not convinced that the Services require an incentive to recoup, rather, what is required is the capability to prefinance urgent military requirements in a timely fashion under those circumstances where the NATO program is not sufficiently responsive or short of funds. A "rolling fund" could provide a continuous source of funds for that purpose, however, a significant level of funds would have to be appropriated to initiate such a plan.

QUESTION: If DoD does not endorse the concept of a revolving fund, what assurance can you give to the Congress that the rate of recoupment will improve?

ANSWER: The Department is very sensitive to Congressional direction regarding the reduction of the recoupment backlog. The amount of prefinancing requested during the past 3 or 4 years has been negligible while the rate of recoupment has increased. We do not expect to see any recoupment in the FY84 NATO infrastructure Program (Slice 35) because of the short fall of funds, however, we anticipate a continuation of recoupment during the new NATO fund cycle (1985-1990). OSD screens and reviews all prefinancing requests by the Services prior to their inclusion in a budget with a view toward determining their operational necessity and probability of near term recoupment.

RECOUPMENT

QUESTION: For each of the last five fiscal years list for the record the amount of prefinanced funds which have been recouped.

ANSWER:

FY	RECOUPED
78	$13.6 million
79	26.7 Million
80	49.0 million
81	54.7 million
82	34.3 million

QUESTION: The GAO report also recommends that the U.S. could save several million dollars by changing the timing of U.S. payments to the infrastructure program from quarterly payments to monthly payments. Will this recommendation be proposed as part of the negotiations on NATO's next five-year slice? If not, why not?

ANSWER: This recommendation is not currently proposed. In their response to the GAO report DoD maintained that it was not economically advantageous to change the payment schedule. NATO rules call for funds to be provided in advance on a quarterly basis to host nations for payment to contractors. Quarterly paysheets, the basis for payments, are issued for approval by all the nations. These paysheets are rarely promulgated and approved at the beginning of a quarter. The U.S. only makes payments 30 days after paysheet approval. NATO procedures require a lengthy screening of the first and third quarterly payments leading to approval uaually at the end of January and July respectively. When U.S. payments are made 30 days later, they occur some 60 days into the quarter of 15 days after the midpoint. Second and fourth quarters payments are approved automatically on the first day of the quarters. U.S. payments are then made 30 days later or about 15 days prior to the midpoint of the quarter. Thus, the average of payments would seem to protect U.S. Treasury interests.

RDF HEADQUARTERS

QUESTION: Are there any projects in the budget for the Central Command/RDF Headquarters at MacDill Air Force Base in Florida?

ANSWER: No.

QUESTION: How much has been appropriated for construction of RDF Headquarters facilities at MacDill to date?

ANSWER: $16.8 million.

QUESTION: What future requirements do you have programmed at MacDill in support of the RDF?

ANSWER: There are no additional projects programmed for headquarters facilities. Several future projects, chapel and barracks improvements, will benefit all personnel assigned to MacDill including CENTCOM (RDF) personnel.

QUESTION: The Secretary of Defense in his annual report to Congress stated, "The feasibility of locating the headquarters in the Southwest Asian region is presently under study." What locations are being considered?
ANSWER: All friendly states in the region are being considered, including [deleted].

QUESTION: What military construction requirements will result from locating the unified CENTCOM (RDF) command in that region?
ANSWER: Locating a forward element of CENTCOM is under active consideration. Cost associated with construction to support this element can only be developed after the location and available local support is determined.

QUESTION: When would the headquarters be manned?
ANSWER: The manning date is subject to obtaining approval from a host country to establish a forward element, therefore, it has not been established.

QUESTION: In view of the possibility of the headquarters being located in the Persian Gulf/Indian Ocean region, why should the Congress approve any further RDF-related construction at MacDill?
ANSWER: No additional construction in support of CENTCOM Headquarters is currently being requested or planned for programming.

QUESTION: If the Command is headquartered in the region, what is planned for the MacDill facilities?
ANSWER: The facilities provided at MacDill for CENTCOM will be fully utilized by that command for the foreseeable future.

RAPID DEPLOYMENT FORCE

QUESTION: The United States is assuming the financial burden of the Rapid Deployment Force in the event of a Persian Gulf/Indian Ocean/Southwest Asia contingency. The U.S. has assumed this burden although our NATO allies and Japan purchase a much larger percentage of oil from the region than does the United States. What efforts are being made to secure financing from our allies for RDF-related programs?
ANSWER: An annual report of the entire subject of Burdensharing is required by the Congress. This document of March 1983, Report on Allied Contributions to the Common Defense, has recently been provided to the members of the Congress. In addition a special report will be prepared regarding actions taken related to the language of the conference report.

QUESTION: Over the last four years the Congress has provided about $1 billion in military construction funding for RDF-related activities. Provide for the record a table outlining these projects at each location.

ANSWER:

COUNTRY	FUNDED (1981-1983)
Oman	$224.3 million
Somalia	54.4
Kenya	57.9
Diego Garcia	435.1
Egypt	91.0
Portugal	66.6
TOTAL	$929.3 million

QUESTION: What is programmed in the next five years for RDF-related construction?

ANSWER: The FYDP (1984-1988) includes $564.5 million in support of both the normal operations of fleet units in the Indian Ocean Area and the provision of contingency facilities, including enroute facilities, for use by CENTCOM forces.

QUESTION: Provide a table for the record which outlines each MCP requirement for RDF over the FY 1984-88 period, including the location, cost, and description of the project.

ANSWER:

COUNTRY	FYDP (1984-1988)	PROJECT SCOPE
Oman	(deleted)	(deleted)
Diego Garcia	"	"
Egypt	"	"
Morocco	"	"

RAS BANAS

QUESTION: The U.S. is constructing facilities at Ras Banas, Egypt, on the Red Sea although we have no written agreement for base access with the Government of Egypt. Have we approached President Mubarak to negotiate a formal agreement?

ANSWER: Yes, and his answer was that he considers the letter signed by President Sadat on behalf of the Government to be valid since he has verbally affirmed its content.

QUESTION: What guarantees do we have that we will be able to fully utilize Ras Banas in the event of hostilities in the region?

ANSWER: We have no guarantee we will be able to utilize any facility in a foreign country. Written documents have to be subject to approval by the people holding office at the time of use is requested.

QUESTION: Under what circumstances would we be denied access to Ras Banas?

ANSWER: Access documents have to be subject to approval by the people holding office at the time of use is requested. Thus we may be denied the use of Ras Banas, or any other facility in any nation, if they consider the use not to be in their best interest at that particular moment in time.

QUESTION: If we were denied access to Ras Banas, where would we establish a forward base?

ANSWER: The location of a rear staging area would depend on the exact nature of the contingency, and the reaction of nations where access was sought.

QUESTION: Have we been offered any other location in Egypt for facilities access? If so, what is programmed for that location over the next five years?

ANSWER: No.

QUESTION: The Congress has approved $91 million in FY 1983 for the Air Force for construction at Ras Banas. The 1984 request includes $41 million for the Army and another $55.4 million for the Air Force. What is programmed for the period FY 1984-88 for Ras Banas? Please describe what is programmed for each year.

ANSWER:

LOCATION	FY		PROJECT SCOPE
Ras Banas	1984	Air Force	Aircraft pavements-taxiways/aprons/POL storage and distribution/power generation/desalinization plant addition and distribution/ammo storage/airfield lighting.
		ARMY	[Deleted] support facilities/port improvements/water/power/riging facility.
	1985	Air Force	POL storage-distribution/aircraft aprons/warehousing/communications/cantonment support (showers and heads).
		Army	[Deleted] support facilities/POL storage/warehousing/port improvements.
	1986	Air Force	POL storage/warehousing/cargo terminal/cantonment support/aircraft maintenance.
		Army	[Deleted] support facilities/water/power/hospital/maintenance facilities.

NOTE: The FYDP (1984-1988) includes $262.8 million for the development of Ras Banas. Total estimated cost for this period is $336 million. Additional program funding will be addressed in FYDP (1985-1989).

CENTCOM (RDF) FACILITIES AGREEMENTS

QUESTION: Are we presently negotiating access agreements with any other country? If so, what are objectives of our negotiations?

ANSWER: Discussions are being conducted with [deleted]. Objective is to obtain approval of prepositioning materials and equipment at that location within the terms of the current agreement.

QUESTION: Are we planning to open negotiations to discuss RDF-related access or facilities with any other country between now and the end of FY 1984? If so, what will be the objectives of the proposed negotiations?

ANSWER: No new negotiations for RDF access are scheduled before the end of FY 1984. If, however a nation approaches the US with an attractive offer for use of their facilities, we would give careful consideration to the desirability for negotiations.

FACILITIES AGREEMENT

QUESTION: Since Fiscal Year 1980 the Congress has approved $224 million for RDF-related facilities in Oman. What is requested for Oman in FY 1984?

ANSWER: The FY 1984 request for construction of contingency facilities in Oman is $39.6 million.

QUESTION: What is programmed for MCP funding in Oman for FY 1985-88? Provide a description of each year's program.

ANSWER: The FYDP (1984-1988) includes $86.6 million for Oman of which $39.6 million has been requested in FY 1984. The remaining $47.0 million is programmed in FY 1985 for cantonment facilities at Thumrait, Seeb and Masirah and aircraft shelters/pavements/warehousing at Seeb.

QUESTION: The Congress has approved $58 million for RDF-related construction in Kenya and $54 million for Somalia. Are there any additional requirements proposed for these two countries in the FY 1984-85 five-year program? If so, please outline the projects for the record.

ANSWER: The FYDP (1984-1988) does not include any additional projects for Kenya and Somalia.

Diego Garcia

QUESTION: The Congress has approved $435 million for RDF-related facilities at Diego Garcia. Please describe the projects which have been approved to date.

ANSWER: The projects approved to date have provided a communications facility, an airfield, a port facility, POL storage, facilities to support the personnel assigned here, and to support the Indian Ocean operations of the U.S. Pacific Fleet.

QUESTION: What is requested in FY 1984 for Diego Garcia?
ANSWER: The following projects are requested for FY 1984:

PROJECT	($000) AMOUNT
Aviation Warehouse	4,200
Administration Fac.	3,900
Transmitter Bldg. Addn.	12,000
EM Club	2,000
PW/Transport Fac.	5,900
UEPH	6,900
Boat Shop	1,700
Waterfront Ops. Bldg.	1,000
CSC Facility	400
TOTAL	38,000*

*Current cost estimate. Congressional request totals only $34.5 mil. (Principal cost change: Transmitter Bldg. Addn. from $8.4 mil to $12.0 mil).

QUESTION: What additional requirements have been identified for Diego Garcia during the period FY 1985-88. Please describe those requirements for the record.

ANSWER: The Navy's FYDP currently contains an additional $32 million in FY 1985 and nothing in the outyears. MILCON planning for Diego Garcia has requirements in support of fleet and RDF needs in the Indian Ocean. The outyear projection shown on the DD Form 1390 is reflective of the island's desires, but does not depict the Navy's current FYDP. Future requests will be carefully reviewed within Navy to insure that only the most vital facilities for this austere activity are programmed. FY 1985 proposals are basically operational, maintenance and personnel support type facilities.

FACILITIES ACCESS

QUESTION: All the access agreements we have negotiated in the region provide that we must consult with the host government prior to a deployment and that the host government retain all soverign rights over all facilities to be constructed. Is it the policy of the Administration to seek to secure a U.S.-controlled base in the Persian Gulf/Indian Ocean/Southwest Asia/Middle East area? If so, please discuss the policy; if not, provide for the record a policy statement which outlines the adequacy of existing base access agreements in a regional contingency.

ANSWER: In recent years most nations have not allowed the U.S. to have a base that is under the "control" of the U.S. Government. In the region that covers the areas of West Africa eastward through South Asia the U.S. has sought access to existing facilities for contingency use since a permament U.S. presence has not been acceptable.

BASE ACCESS AGREEMENTS

QUESTION: The United States is currently negotiating continued base access agreements in a number of locations. With whom are we currently negotiating and what is the status of these negotiations?

ANSWER: The United States is currently in negotiations to extend existing base access agreements with Portugal and Greece. Discussions with Portugal began in December, 1982. The negotiations having thus begun, the agreement remains in effect for at least 12 months beyond the February 4, 1983 expiration date. While formal negotiating sessions are not being held during the period of the elections, working level sessions were held in Jnauary and March and we fully expect a successful conclusion of these talks after the April 25, 1983 elections. Discussions with Greece have been underway for an extended period of time. Formal discussion have not been held recently, however, these formal discussions are expected to be resumed in the very near future and the current climate appears favorable to a successful conclusion.

QUESTION: What negotiations have been completed in the past year and what are the terms of the agreement reached?

ANSWER: The access agreement with Morocco was completed during the past year. Terms are:

Authorizes the use and transit by US forces of agreed aerial ports in emergencies and for periodic training
Agreed that construction may occur at these facilities
No permament stationing of US forces.
Six year initial period but continues thereafter at pleasure of parties subject to two year notice
Specific provisions as to exact contingency use shall be agreed upon by the parties (these provisions are in a separate appendix)

The agreement consists of an exchange of notes between the two governments. It has been published in the Treaties and other International Acts (TIA) series issued by the Department of State.

QUESTION: Is the United States Government negotiating with any foreign government for base facilities or rights not currently available to this nation?

ANSWER: Discussions are being conducted with Bahrain with the objective of obtaining approval of prepositioning materials and equipment at that location within the overall terms of the current agreement. The negotiations with Portugal include use of Lajes as an enroute facility in support of SWA contingency operations. This use is not specified in the current agreement.

BASE AT [deleted]

QUESTION: Former Joint Chief of Staff Thomas Moorer has been quoted as saying that the United States urgently needs a naval base at [deleted]. Does the Department desire such a base?

ANSWER: At present no military requirement for this location has been identified by JCS.

[Deleted] FACILITY

QUESTION: Are there any other locations in [deleted] the Department desires for access?
ANSWER: (To be provided under separate cover)

[Deleted] ACCESS

QUESTION: Have we discussed any basing proposals with the Government of [deleted]?
ANSWER: We have discussed in a very preliminary way facilities access. The US does not believe this is a proper political time to discuss further any access proposals.

[Deleted] ACCESS

QUESTION: Do we plan to discuss such proposals with [deleted]?
ANSWER: We have discussed in a very preliminary way facilities access. The US does not believe this is a proper political time to discuss further any access proposals.

QUESTION: Late last year the U.S. concluded an agreement with the Government of Turkey for new base access in that country. What were the complete terms of that agreement?
ANSWER: Our agreement with Turkey is based on the "Memorandum of Understanding regarding the joint use of designated air bases in Turkey by the United States Air Operational Units and Turkish Air Forces." This agreement, commonly refered to as the COB MOU, is similar to agreements with other NATO nations and is classified Secret. It identifies Turkish bases for use by US air reinforcements commited to Turkey in support of NATO approved plans.

Turkish Bases

QUESTION: What is requested in the FY 1984 budget to implement that agreement?
ANSWER: We are requesting $66 million to prefinance construction at the airfield at Batman and construct new airfield facilities at MUS.

QUESTION: What is proposed in the five year plan for these locations or other locations included in the agreement?
ANSWER: Due to the extreme austerity of these two locations the FY 84 request does not fully develop minimum operational requirements. The estimate for the remaining work is $23.3 million.

Work at the other locations included in the agreement will be limited to provision of minimum essential facilities (MEF). Our intent is to seek construction of these facilities through the NATO infrastructure program.

QUESTION: The U.S. is shifting tactical air squadrons into Turkey, what military construction requirements will be necessitated by this action?

ANSWER: There are no permanently assigned tactical Air Force squadrons in Turkey and the Air Force has no plans to add additional fighter squadrons in peacetime.

QUESTION: It was stated in the January 31, 1983, edition of "Defense Week" that "Turkey would be critical staging area during any conflict in the Persian Gulf. U.S. strike planes based there are in range of much of the Gulf." What assurace do we have that we could use the facilities in Turkey as a staging area in the event of a Persian Gulf contingency?

ANSWER: The COB MOU provides for the use of Turkish bases for US air reinforcements committed to Turkey in support of NATO approved plans. As such, these bases will be used in a strictly NATO context and not for forces of the RDJTF. We do not envision Turkey as a way station for American forces enroute to Southwest Asia. However, improved capability, especially in Eastern Turkey, would have a significant value in detering possible Soviet expansion into the Middle East or the Persain Gulf.

QUESTION: Major General Richard Anson, the Deputy Commander of Allied Land Forces Southeastern Europe, has been quoted as stating that he would like to see more prepositioning of military equipment in Turkey using concealed underground facilities. Is the Department of Defense or NATO planning such prepositioning?

ANSWER: The US will in the near future be working with the Turks to develop a Host Nation Support Agreement for US land reinforcements committed to Turkey. As part of this effort prepositioning of equipment in Turkey will be considered. We will not know what the requirement for prepositioing, if any, will be until this have completed an agreement.

QUESTION: If so, how would it be financed?

ANSWER: This would be decided if a requirement is identified.

QUESTION: What would be the military construction requirements of such prepositioning?

ANSWER: We do not know at this time.

Unilateral Bases Overseas

QUESTION: The Administration is planning a substantial increase in foreign military sales to Turkey while FMS for Greece remains at the current level. Has this request had any impact on our Greece base rights negotiations?

ANSWER: We had earlier informed the Greek government that we would seek increased levels of assistance in the context of an acceptable agreement. Now we are putting forth an actual figure indicating what that increase might be, which is additional evidence of our good will in the negotiations, the serious attitude we have toward these discussions, and our desire for constructive relations with Greece. Even under our original proposal the Greek program was the sixth largest in the world, and we had not proposed any cut. Our approach is a generally accepted way of dealing with such negotiations and we believe the Greek government is practical and realistic, and understands our position.

QUESTION: It has been suggested that US aid to Greece will be increased if the Papandreou Government approves a new base agreement with the United States. Is this Administration Policy?

ANSWER: The Administration has asked Congress to amend the proposed legislation to provide for up to $220 million in guaranteed loans for Greece beyond the $280 million originally requested. This additional amount would be made conditional upon conclusion of a satisfactory agreement regarding use of military facilities in Greece by US forces.

QUESTION: Prior to coming to power in 1982, the Socialists called the four U.S. bases in Greece the "bases of death" and pledged to close them. It has been reported that the Greek Government is asking $1 billion a year for the bases. Is this an accurate report.

ANSWER: The US Special Negotiator, Ambassador Reginald Bartholomew, has conducted four rounds of discussions with his Greek counterpart, Deputy Foreign Minister Ioannis Kapsis. We believe a durable and effective US-Greek defense relationship is in the mutual interest of both nations and enhances the strength of the entire NATO Alliance. We are working together with the Greek government to reach an agreement which reflects this common interest and which will benefit both Greece and the United States. The specifics of the negotiations are confidential. However, both parties continue to work for a mutually beneficial result.

QUESTION: It has also been reported that the Greek Government is interested in linking a base agreement with some form of US guarantee of Greece's eastern border against a Turkish threat. Is this correct, and what kind of guarantee is the Administration prepared to negotiate?

ANSWER: The Base agreement is not linked to any US security guarantee. Both Greece and Turkey are valued members of NATO and together take part in the defense of the Eastern Mediterranean, an area of immediate security concern for both nations and also vital for the security of the alliance. For geographic and strategic reasons, the security of both Greece and Turkey is enhanced by NATO partnership, a relationship both nations have appreciated as indicated by their entry into NATO. Their participation helps preserve the balance of military strength in the region.

QUESTION: Last month, Greek workers at US bases went on strike. What impact did that strike have?

ANSWER: The strike had no effect on the conduct of operations. We have made clear to the Greek government the seriousness with which we view the current strike at Hellenikon. We do not believe we should permit any small minority, such as strikers represent, to determine the course of US relations with a close friend and valued ally.

QUESTION: The Soviet Premier has just recently visited Greece. There has been some speculation that Greece and the Soviet Union may be considering signing some mutual political cooperation agreements. What is the validity of that speculation and what impact does an improving Soviet-Greek relationship have on the US-Greek base negotiations?

ANSWER: Soviet Premier Tikonov's February 21-24 visit to Greece and the economic cooperation agreement which was signed by Greece and the Soviet Union on 22 February will have no impact on the US-Greek base negotiations.

Greece

QUESTION: What is requested in FY 1984 for military construction at Greek bases?

ANSWER: A total of $9.8 million has been requested for construction in Greece. The request includes a receiver building for the Navy and a total $4.9 million for primarily personnel support facilities for the Army.

QUESTION: Why should Congress approve these funds prior to the successful conclusion of the base negotiations?

ANSWER: We are confident that a successful agreement will be negotiated. There is no evidence that Greece is retreating from stated commitments. The government continues to be a fully participating member of the Alliance.

QUESTION: How much is currently programmed over the next five years for construction in Greece?

ANSWER: Service planning for the FY 85-88 period includes $36 million for construction in Greece.

QUESTION: In view of the new bases in Turkey can any or all of the bases in Greece be considered redun-

ANSWER: Activities performed by US Forces operating from bases in Greece are vital to NATO's security interests, which include US interests and the interests of both NATO allies, Greece and Turkey in defense of the Aegean Region. US activities in Greece are designed to accomplish these functions: (1) data collection and processing, (2) operational and logistic support, (3) communications, and (4) contingency reinforcement. The US satisfies requirements for [deleted]. These data form the essential basis for NATO wartime planning. US facilities in Greece provide the fundamental operational and logistic support to the US Sixth Fleet, which is committed to NATO. In peacetime, this naval force represents a major NATO presence, establishing a balance of forces in the Mediterranean, and in war it constitutes the heart of NATO's Striking Force for the defense of NATO's Southern Flank, including Greece and Turkey. Loss of access would isolate Turkey strategically and compound problems of reinforcement and control in the Eastern Mediterranean. These are important facilities in the establishment and maintenance of the capability to rapidly reinforce the airpower available for the defense of the region, within the context of NATO contingency planning. These bases provide the major communications link in the network throughout NATO, particularly on the Southern flank. This function is vital in peacetime for the maintenance of operational capabilities and in wartime for operations of the Force.

QUESTION: Why do we need a presence in both countries?

ANSWER: The political cohesiveness and strategic integrity of the NATO Southern Region depend on the continued alignment of Greece and Turkey with the West. US Force presence is a major visible sign of that commitment in peacetime, and the core of the defense in case of war.

QUESTION: It is my understanding that the United States and Spain have agreed to ratify a five-year agreement which will allow the U.S. continued use of three air bases and the naval base in Spain. Has the protocol been signed?

ANSWER: The protocol to the Agreement on Friendship, Defense, and Cooperation was signed by our Ambassador in late February. Even more importantly, the agreement and protocol were formally submitted to the Spanish Cortes for ratification on the 22nd of March.

QUESTION: What are the provisions of the Agreement?

ANSWER: The Agreement consists of an umbrella agreement and seven complementary agreements. In exchange for our use of the bases and other smaller facilities, we have pledged our best efforts in defense cooperation. We also pledge to each other to cooperate in economic, scientific and cultural affairs. We have established a US-Spanish Council co-chaired by the Secretary of State and Foreign Minister with a number of subsidiary committees to deal with implementation and solve problems that might arise. The agreement contains provisions for defense industrial cooperation between the US and Spain, similar to agreements with other NATO countries. The Agreement provides for the legal status of our forces in Spain on the basis of the NATO Status of Forces Agreement as complemented by this Agreement.

QUESTION: It is my further understanding that the Spanish Government will be permitted greater control over American use of the existing bases. Under the new Agreement, how is American use limited from previous Agreements?

ANSWER: There has been some tightening of provisions allowing U.S. national individuals access to base facilities. The single most important limitation now in writing confirms a defacto practice in existence for sometime. Simply, if we need to carry out flights activity for purposes not deriving from the bilateral or multilateral (NATO) responsibilities, we are pledged to seek prior authorization of such flights. However, it should be pointed out that we gained an increased authorization for tanker aircraft in Spain.

QUESTION: What is programmed in the next five years for U.S. bases in Spain?

ANSWER: Service planning for the FY 85-88 period includes $146 million for construction in Spain.

PORTUGUESE BASES

QUESTION: The lease on Lajes Air Base expired in February. It is my understanding that further negotiations over future use os the base will not begin until after the elections in Portugal in late April. What plans are being made to open negotiations on Lajes?

ANSWER: Formal negotiations to renew this agreement began in Lisbon in December, 1982. The negotiations having begun, the agreement remains in effect for at least 12 months beyond the February 4, 1983 expiration date. While formal negotiating sessions are not being held during the period of the elections, working level sessions were held in January and March and we fully expect a successful conclusion of these talks after the April 25 elections.

QUESTION: The US would like to utilize Lajes as a forward base for RDF in the event of a Persian Gulf contingency. It has been reported in the press that Portugal objects to any permanent RDF-related facilities. Is that correct?

ANSWER: As a matter of policy, we do not discuss the confidential details of ongoing negotiations. I can say, however, that Lajes has never been contemplated as a "forward base" for the RDF. We hope to be able to use it for transit purposes and believe that Portugal's past record of cooperation reflects favorably for the future.

QUESTION: It has been reported that the Portuguese want to have veto power over American use of the base in regional conflicts. If the US were denied Lajes access in a Persian Gulf contingency, what bases would be used instead?

ANSWER: Any sovereign nation will exercise final say over the use of its territory. We have various ways of getting to the Persian Gulf in both easterly and westerly directions. Which facilities we would actually use in any specific contingency would have to be determined on the basis of circumstances prevailing at the time.

LAJES

QUESTION: What plans does the Department have to build a satellite tracking station at Lajes and what will be the total military construction requirements for this project?

ANSWER: The Department has no plans to build a satellite tracking station at Lajes.

QUESTION: Does the U.S. desire to station a fleet of KL-10 tankers at the Federal Republic of Germany's base at Beja in Southern Portugal?

ANSWER: Currently, there are no plans to permanently station tankers at Beja.

QUESTION: Will the military construction costs associated with this deployment be paid by NATO?

ANSWER: Not applicable.

QUESTION: It has been reported that the U.S. seeks additional facilities at Montijo Airport outside Lisbon and Cortegaca outside Porto. What additional facilitie would be build there?

ANSWER: The Air Force has surveyed a number of Portugese installations to determine capabilities and potential use. There are no current plans, however, to develop Montijo Airport for U.S. use.

QUESTION: Will the military construction costs at these two locations be paid by NATO?

ANSWER: Not applicable. No facility requirements identified.

QUESTION: The Congress has approved $67 million at Lajes in the Azores. Please describe these approved projects for the record.

ANSWER: The $67 million ($20 million in FY 81 and $47 million in FY 82) is for various projects to correct existing deficiencies and expand the airlift throughput capability. The projects are:

FY 81:

Refurbish POL tanks and distribution system
Restore airfield pavements to design capacity
Rehab fire station
Construct security fencing
Repair/upgrade electrical power plant
Rehab various buildings (maintenance facilities, warehouse, latrine)

FY 82

Refurbish POL tanks and distribution system*
Upgrade power plant*
Upgrade water system*
Construct POL tanks
Refueling vehicle maintenance facility
Construct operations facility/command post

NOTE: Non-expansion projects (all FY 81 and the asterisked FY 82 projects) were subsequently approved for construction by MILCON Committees. The balance of projects are held in abeyance in accordance with Congressional instruction.

QUESTION: What is included in the 1984 budget for Lajes?

ANSWER: $1.4 million is requested to construct a new, 2/ person Unaccompanied Enlisted Personnel Housing facility which will accommodate senior grade enlisted personnel assigned to Lajes.

QUESTION: What additional requirements for RDF related construction have been identified for Lajes during the FY 1985-88 period?

ANSWER: The only RDF related construction project supported within the stated period in the FYDP is:

FY	Description	Scope	Cost
85	POL Tanks	768,000 BBLS	$30.7 million

An additional $50 million of POL tankage and operational facilities, are being evaluated for possible inclusion in an out-year program.

Philippine Bases

QUESTION: Negotiations on continued use of Clark Air Base and Subic Bay Naval Base will begin next month.

What are the prospects for U.S. continued base rights at these two locations?

ANSWER: The Military Bases Agreement (MBA) of 1947 was amended as a result of the 1976-79 negotiations between the United States and the Philippines. Next month we will begin, in accordance with those amendments, the first five year bilateral review of the MBA. In our opinion the MBA has worked very well since the 1979 amendments. We assume that the review will be completed expeditiously, thereby assuring the U.S. of continued base rights in the Republic of the Philippines.

QUESTION: A group called the Anti-Bases Coalition is seeking the immediate removal of the U.S. installations. Is this opposition a threat to continued use of Clark and Subic?

ANSWER: No. The Anti-Base Coalition is not a significant opposition group at this time.

QUESTION: Is there other opposition to the American presence in the Philippines?

ANSWER: In addition to such non-Communist groups as the Anti-Base Coalition, the Communist New People's Army (NPA) opposes the continued American presence in the Philippines. As an active Marxist Leninist rebellion its opposition to continued US presence is predictable.

PACIFIC BASES: TRUK/TINIAN

QUESTION: Does DoD have any military construction requirements programmed in the next five years for Truk or Tinian? If so what is planned and at what cost?

ANSWER: The Department of Defense has no military construction requirement programmed over the next five years for either Truk or Tinian.

PALAU ISLAND

QUESTION: Is it true the US is seeking access rights in the Palau Islands?

ANSWER: Under the terms of the 1947 Trusteeship Agreement with the United Nations covering the Trust Territory of the Pacific Islands, the United States has full military use and operating rights in Palau. More limited rights have been agreed to under the terms of the Compact of Free Association and its related agreements, recently approved by more than 60% of Palau's voters. These are for contingency purposes only, and include use of two airfields, the right to construct and use a harbor facility and a munitions storage site, and part-time access to a large training area.

Palau still must reconcile the terms of the Compact, which calls for the US to defend Palau as though it were part of the United States, with those of its constitution, whose anti-nuclear provisions would make this task virtually impossible. Until this reconciliation is completed, and the Compact has been approved by the US Congress, the Trusteeship (and plenary US defense rights) will remain in effect.

QUESTION: What facilities would be built at the Palau Island if access rights are granted?

ANSWER: There are no plans at this time to build any facilities in Palau. These are all in the nature of contingency rights, and actual use will probably depend on whether the US is denied access to other Western Pacific facilities, especially those in the Philippines.

PACIFIC BASES: AUSTRALIA

QUESTION: Are there any plans to develop new bases or access in Australia?

ANSWER: As an ANZUS ally, the Government of Australia permits U.S. military aircraft and naval vessels to transit suitable airfield and ports on a case-by-case basis. The Department of Defense has no plans to develop new bases or access to Australia.

NORTHERN MARIANA ISLANDS LEASE

QUESTION: What is the status of negotiations on the land lease at the Mariana Islands?

ANSWER: Negotiations to acquire land in the Northern Mariana Islands were successfully concluded on January 6, 1983. That event marked a very significant milestone in our efforts to enhance our forward defense posture in the Pacific.

QUESTION: Will the United States continue to enjoy all existing rights of access?

ANSWER: The United States will continue to have full rights of access to the lease-hold. There are no restrictions on our ability to move forces to or through the Marianas. We are as free to operate from the Marianas as we are to operate from the United States. It is precisely this unrestricted use of the facilities which gives substance and credibility to our stated intention to remain a Pacific power.

QUESTION: Are there any military construction requirements proposed in the five year plan for the Mariana Islands?

ANSWER: The majority of the area on Tinian and all of that on Saipan has been reserved for contingency purposes. The infrastructure of facilities remaining on Tinian from World War II are adequate to support the current level of training and use envisioned for Tinian. Consequently, there are no military construction requirements proposed in the five year plan for the Mariana Islands.

OVERVIEW - HONDURAS

QUESTION: What is the status of Airfield Construction in Honduras?

ANSWER: Status is as follows:

FY 83 MCP

Design Complete	27 Jan 83
Bid Opening	25 Mar 83
Contract Award	25 Apr 83
Expected Completion	25 Jul 84

FY 84 MCP

Design Complete	15 Aug 83
Bid Opening	22 Nov 83
Contract Award	15 Dec 83
Expected Completion	15 Mar 85

QUESTION: Do we have a signed access agreement with Honduras?
ANSWER: Yes, and it has been submitted to Congress.

QUESTION: What are the provisions of the agreement if one has been signed?

ANSWER: An Annex to the Bilateral Military Assistance Agreement between the Government of Hounduras and the Government of the United States was concluded. The provisions of this annex are:

U.S., with Honduran agreement, may improve existing aerial port facilities at Palmerola, Goloson, and La Mesa

Aircraft operated by the Government of the United States may use these aerial ports and other aerial ports as subsequently agreed to by the two Governments

Use of the aerial ports for such purposes as the storage of military equipment and supplies; the conduct of military exercises; rescue, relief and reconnaissance; and with prior consultation, other military activities

24 hour notice of arrival of aircraft required except in emergencies

Facilities at aerial port can be used for fueling and refueling of aircraft, maintenance of aircraft and equipment, accommodation of personnel, communications, supply, storage and other military activities

. Improvements may be made using US contracting rules, regulations, contractors, and personnel as required; however, maximum possible use will be made of qualified Honduran contractors and personnel, consistant with U.S. construction procedures and requirements.

QUESTION: Has there been any internal oppostion to the U.S. construction plans at Honduras? If so, what is the nature of that opposition?

ANSWER: No.

QUESTION: The September 8, 1981 edition of Defense Week stated that POMCUS sets in Europe could be vulnerable to chemical warfare attacks. What is the nature of a chemical agent threat against our war stocks?

ANSWER: The threat would be some form of persistent agent, however, chemical attacks against POMCUS sites are considered a lower priority threat.

QUESTION: Has DoD initiated any upgrade activities to reduce POMCUS vulnerability to chemical warfare?

ANSWER: No. The senario and associated threat priority does not justify upgrades. We would envision that reinforcement will take place prior to D--Day and that the site would be empty prior to hostilities.

HNS COMPARISON

QUESTION: Japan provides American Forces facilities rent free valued at $226 million and pays another $206 million to rent private facilities for U.S. forces. How does this compare to Germany and other NATO countries?

ANSWER: Comparisons of host nation support cannot be limited to just the provision of facilities and/or their support. To gain the most objective overview of allied burdensharing, the total of all efforts by a host nation should be taken into consideration --political, economic, and sociological. For example, unlike Japan, the NATO nations contribute to the NATO infrastructure program while provides most wartime facilties requirements. The U.S. contributes 27 percent of the program costs while the other Allies, in the aggregate, pay 73 percent. However, as most of the construction is done in Europe, the European Allies must also provide, without cost, all of the land, access roads, and utilities for all infrastructure-funded projects. Additionally, the Allies also make available free, tax exempt land for U.S. bases and family housing areas. For example, Germany provides us with land and facilities which today are worth approximately $32 billion and are exempt from the tax base. Some 54,000 family housing units are provided free of charge to the U.S. Details of other allied burdensharing efforts are contained in a special briefing which has been provided for the record.

QUESTION: Our Allies are not contributing directly to the US Southwest Asia Strategy. Does this infer that NATO and Japan are concerned that the RDF is not capable as a credible regional defense?

ANSWER: The difficulties inherent in reacting to a Southwest Asia (SWA) contingency have been recognized by European as well as American planners. Europeans have also formally recognized, at the June 1982 NATO Summit, that a threat to peace exists in SWA. Europe is currently in a period of economic difficulties which has seen them take a more inward view regarding their interests. Nevertheless, several of our NATO Allies maintain forces in the SWA region, and the Alliance as a whole is currently examining the impact on Alliance security of a US deployment to SWA. (FYI: Southwest Asia Impact Study, including identification of requisite European compensatory measures, is in final staffing within NATO military structure. Anticipate study ready for passing to Defense Planning Committee (DPC) in early summer. END FYI).

With regard to your question as it pertains to Japan, it must be taken in two parts:

By law, Japan is limited in military involvement to its own defense and explicitly prohibited from a collective arrangement as would be involved in aiding our Southwest Asia Strategy. Because of this, we are encouraging the Government of Japan to expand its capability to defend its own territory, surrounding skies and seas, and sea lines of communication up to 1,000 miles. In doing so, American forces that might otherwise be committed to the defense of Japan could be committed to Southwest Asia and elsewhere as needed.

Japan's energy, trade, and raw material dependence in relation to Southwest Asia is considerable. Because of this severe vulnerability, Japan has been very supportive of the RDF and looks upon it as a stabilizing influence in a region that is of vital interest to Japan. Our commitment to protect mutual interests in the Southwest Asia region has been a key point in seeking Japan to do more for her own defense.

ARMS STORAGE SECURITY IMPROVEMENTS

QUESTION: What efforts are being made to speed the completion of this program?

ANSWER: As of April 1983, LRSP civil works construction has been completed or is underway at [deleted] programmed sites. All sites have been programmed by NATO infrastructure. In concert with the Department of State, we are using embassy staffs more extensively to augment DoD efforts for expediting action with host governments. Efforts have begun to payoff as nine new contracts have been placed in the past six months and we expect most of the remaining (d) to be placed in 1983. The implementation of the intrusion detection system (IDS) is complete or underway at [deleted] locations.

QUESTION: When do you plan to complete the LRSP site program?

ANSWER: All program elements of the LRSP are scheduled for completion by the end of calendar year 1986.

Mombasa, Kenya

QUESTION: Is the Navy currently considering a repair or logistics support facility at Mombasa?

ANSWER: Past programming has provided the Navy with a limited logistics capability at Mombasa, Kenya. It also provides the Navy with the capability to moor a tender in the harbor for voyage repairs of ships operating in the area.

QUESTION: What would be the MCP requirements of such a facility?

ANSWER: Navy completed programming of currently identified requirements for Mombasa in FY 1983. No additional requirements are included in the Navy's Five Year Defense Plan.

QUESTION: Is a medical facility at Mombasa included in the five year program or under consideration by the JCS?

ANSWER: There is no medical facility included in the Navy's Five Year Defense Plan.

QUESTION: Why is such a facility necessary?

ANSWER: No requirement for a medical facility has been identified by Navy.

QUESTION: What would be the MCP requirement of such a facility?

ANSWER: There is currently no Navy requirement for such a facility.

RDF ACCESS

QUESTION: During RDF-related exercises in the past two years, have any foreign governments failed to allow the United States access to existing facilities as Spain turned down a US request to refuel aircraft when F-4s were deployed to Egypt during exercises in 1980?

ANSWER: No. Cooperation has been excellent.

SECOND FACILITY

QUESTION: THe Multiyear Plan for Facilities Improvement in support of U.S. SW Asia Strategy called for a second Army predeployment facility in addition to Ras Banas. Has the location of this second predeployment facility been identified?

ANSWER: A JCS study completed in late 1982 identified, for planning purposes, the total facility requirements for the FY 1988 force structure. Included in that study was a second staging area located in . This study has not been approved by the Secretary of Defense nor is this facility included in the current FYDP(1984-1988).

QUESTION: What military construction costs would be associated with this second predeloyment facility?

ANSWER: If and when the second predeployment site is considered for inclusion in the FYDP the Army will develop the associated construction costs.

SAUDI ARABIA ACCESS

QUESTION: Saudi Arabian officials have indicated that they would make facilities available in a contingency.

In view of this private assurance is the US providing any military construction funding at Saudi locations? If so, please outline the activity for the record.

ANSWER: Saudi Arabian officials have not indicated they would make facilities available in a contingency. The US does not provide any military construction funding in Saudi.

TURKISH ACCESS

QUESTION: The US recently concluded a base agreement with Turkey. Under the provisions of the agreement is the United States guaranteed access to these facilities for the predeployment of tactical aircraft to prevent a Soviet invasion of Iran?

ANSWER: These bases are for the beddown of US air reinforcements committed in Turkey in support of NATO approved plans. Any deployment would be strictly NATO context and in response to NATO alert procedures. Should NATO decide to react to a threat of a Soviet invasion of Iran then US aircraft would deploy to eastern Turkey.

OMAN ACCESS

QUESTION: Does the Department still seek permanent peacetime use of Seeb?

ANSWER: The Department has not seeked permanent peacetime use of Seeb. The Department has obtained use of Seeb as part of the Access Agreement of 4 June 1980. The Department has no plans to permanently station forces at Seeb.

QUESTION: Is any other location being considered for such permanent peacetime use: If so where?

ANSWER: No.

FACILITIES PLAN

QUESTION: Have the Joint Chiefs developed a full-scale improvement plan for Southwest Asia?

ANSWER: Yes. The plan was completed in November 1982 and is under consideration for inclusion in the DOD Five-Year Defense Plan.

QUESTION: How many divisions and tactical fighter wings will be supported by the facilities outlined in the plan?

ANSWER: The facilities improvement plan includes [deleted] those facilities to which the U.S. now has access and plans to improve, [deleted] those planned for improvement will support the (d) Army Divisions, (d) Marine Amphibious Forces and (d) Tactical Fighter Wings programmed for Southwest Asia. Planned improvements will provide support for (d) divisions and [deleted] tactical fighter wings. The remainder of the force will be supported by existing facilities or will be deployed into the objective area where contingency facilities would be used.

QUESTION: Is the plan under revision? If so, when will the revised plan be completed?

ANSWER: No. Future revisions to the plan will be accomplished through USCENTCOM and the Services in the normal planning process.

QUESTION: What facilities other than those previously approved by Congress for MCP funding are identified in the most recent comprehensive facility improvement plan?

ANSWER: The most recent comprehensive plan identified additional facility requirements [deleted]. The facility requirements in the comprehensive plan were identified for planning purposes and must be refined by the Services before they are included in the Military Construction Program. Furthermore, the requirements identified in the facility improvement plan have not been approved for inclusion in the DOD Five-Year Defense Plan.

QUESTION: It has been stated that current facility improvements will eventually accommodate only about half the forces the United States can now deploy to the region. Is that correct?

ANSWER: (D). The FY 84-88 military construction program is designed to provide support for the forces currently planned for deployment to Southwest Asia using(d)the current military construction program. Permanent facilities are not required for all forces since most of the combat units will be moved directly into the objective area once hostilities have begun, and any construction would be temporary contingency construction.

Communication Facility

Question: Does the Department still desire to construct a large-scale communications facility [deleted].
Answer: [Deleted].

Question: Is the Department considering any other location for such a facility?
Answer: No. [Deleted].

Question: What is the requirement for such a facility in the region?
Answer: The Commander In Chief, U.S. Pacific Fleet (CINCPACFLT), identified the requirement in October 1980 for an austere communications facility to provide limited UHF SATCOM and HF coverage [deleted] in order to support [deleted] [deleted] fleet units operating in the western Indian Ocean, medical evacuations when required and MAC Channel flights.

The proposed communications facility provides CINCPACFLT with needed geographic diversity of communications and complementary depth to other existing communications capabilities, relieving pressures on NAVCOMMSTAs Diego Garcia and Nea Makri.

Question: What military construction costs would be associated with such a facility?
Answer: [Deleted].

[Deleted]

QUESTION: Last May an access agreement was signed with the Government of Moroocco. What are the provisions of that access agreement?

ANSWER: The general provisions are:

Authorizes the use and transit by US forces of agreed aerial ports in emergencies and for periodic training
Agreed that construction may occur at these facilities
No permament stationing of US forces
Six year initial period but continues thereafter at pleasure of parties subject to two year notice
Specific provisions as to exact contingency use shall be agreed upon by the parties (these provisions are in a separate appendix)

The agreement consists of an exchange of notes between the two governments. It has been published in the Treaties and other International Acts (TIA) series issued by the Department of State.

QUESTION: What is requested in the FY 1984 budget to implement that agreement?

ANSWER: $28 million.

QUESTION: What will be the purpose of this base?

ANSWER: Refueling of heavy lift aircraft (C-5/C-141 type) enroute to/from Southwest Asia contingency operations.

QUESTION: What is programmed in the next five years for [deleted] or any other location in Morocco?

ANSWER: The FYDP (1984-1988) includes $90.7 million for enroute facilities in support of Southwest Asia contingency operations. $28.0 million is being requested in FY 1984 for Morocco. The remaining $62.7 million is programmed in FY 1985/86 to complete the operational requirement.

MOROCCO

QUESTION: What assurances do we have that [deleted] can be used in a Southwest Asia contingency?

ANSWER: As in all agreements we have with sovereign nations we have no guarantees under international law procedures for access upon demand. All agreements are subject to decisions made by the government in power under the exact circumstances existing at the time of the US request.

OMAN

QUESTION: It is my understanding that the Joint Chiefs of Staff are conducting a Phase II study of additional requirements for Oman.

What specifically is under review and what are the range of options under consideration which will impact future year military construction budgets?

ANSWER: The Phase II study is part of the JCS facilities improvement plan completed in November 1982. [Deleted] [deleted]. These facility requirements have not been approved for inclusion in the DOD Five-Year Defense Plan.

SUBCOMMITTEE RECESS

Senator MATTINGLY. With no further business, this subcommittee will stand in recess until Monday, March 14 at 2 p.m., when we will hear testimony in support of the Milcon budgets for the Defense agencies.

[Whereupon, at 9:40 a.m., Thursday, March 10, the subcommittee was recessed, to reconvene at 2 p.m., Monday, March 14, 1983.]

MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1984

MONDAY, MARCH 14, 1983

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 2 p.m. in room S–126, the Capitol, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

DEPARTMENT OF DEFENSE

DEFENSE LOGISTICS AGENCY

STATEMENT OF COL. CHRIST F. POTAMOS, STAFF DIRECTOR, INSTALLATIONS SERVICES AND ENVIRONMENTAL PROTECTION, DEFENSE LOGISTICS AGENCY

ACCOMPANIED BY:

CAPT. WARREN M. BELL, CEC, USN, CHIEF, INSTALLATIONS DIVISION

LT. COL. JOHN J. FINNERTY, USA, PETROLEUM LOGISTICS OFFICER

INTRODUCTION OF WITNESSES

Senator MATTINGLY. The subcommittee will come to order. This afternoon we will receive testimony in support of the military construction budget request for several of the defense agencies.

Our witnesses today, in order of their appearances, are: Colonel Potamos, Staff Director for Installations, Services and Environmental Protection at the Defense Logistics Agency; Dr. Delaney, Chief of the Logistics Division, representing the Department of Defense Dependents School; and Mr. Charles Hawkins, Assistant Deputy Under Secretary of Defense for Intelligence, who will speak to the request for the Defense Foreign Language Institute; Mr. Holaday, Assistant Director for Facility Requirements and Resources, will give testimony in support of the request for emergency construction funds; and finally, Mr. Rich, Deputy Director of the National Security Agency.

I want to welcome all of you today to today's hearings. While I am aware that some of your requests are relatively small in total dollar value, I believe that each of you should have your, so to speak "day in court" and give the subcommittee your views on the budget now before us.

So with that, I understand that each of you have a prepared statement, which you may put in the record, and if you would like you can summarize then I will ask questions of each witness as they complete their remarks.

With that, I believe, Colonel Potamos, we can begin our testimony.

PREPARED STATEMENT

Colonel **Potamos**. Thank you, Mr. Chairman. I have a prepared statement and I request, with your approval, to enter it into the record.

Senator **Mattingly**. Yes.

Colonel **Potamos**. With me today as my backup witnesses are Capt. Warren Bell, our Chief of Installation Division, and also, Lt. Col. John Finnerty, our Petroleum Logistics Officer at DLA.

I am prepared at this time, sir, for questions.

(The prepared statement of Colonel Potamos follows:)

PREPARED STATEMENT OF COL. CHRIST F. POTAMOS, USA

STAFF DIRECTOR FOR INSTALLATION SERVICES AND ENVIRONMENTAL PROTECTION

DEFENSE LOGISTICS AGENCY

Mr. Chairman and members of the committee, I am pleased to appear today in support of the Agency's Fiscal Year 1984 Military Construction and Family Housing Programs.

The Defense Logistics Agency's Fiscal Year 1984 military construction budget includes a wide range of projects that mirror the Agency's varied missions in supporting the readiness of the military services.

Our budget request reflects the continuation of three major efforts -- Fuels Management, Excess Property Reutilization and Disposal, and Minor Construction - and the long overdue initiation of a fourth - Depot Modernization.

Our responsibility as DoD world-wide manager for wholesale bulk petroleum, oil and lubricants (POL) is reflected by the inclusion of $60.6 million for POL facilities - storage tanks, piers, fire protection systems. DLA procures peacetime operating and war reserve petroleum requirements for all DoD components.

Lack of investment has led to deteriorated facilities and, in many locations, a shortfall in required facilities. In Fiscal Year 1983, we began to program and budget for increased POL requirements, not only by construction, but by leasing and host nation support agreements as well. Construction projects are considered only after all avenues for other arrangements have been exhausted.

$3.8 million of our Fiscal Year 1984 request is to support the Defense Property Disposal activities managed by DLA. DLA receives, stores, sells and distributes for reutilization over $3 billion of excess material each year. We have also been assigned responsibility for disposal of hazardous and toxic waste material. Requirements for construction of facilities for this latter responsibility appear this year for the first time in our minor construction request, and total approximately $3 million.

As I previously stated, this budget includes initiation of plans to modernize our Depots. DLA has not kept abreast of advances in automation and mechanized warehousing technology. The failure to keep up has resulted in DLA ownership of relatively inefficient warehouses. Our Fiscal Year 1984 budget initiates efforts to remedy this situation. We plan to install in our major Depots systems modeled after the Navy's integrated storage, tracking and retrieval system or NISTARS. Our budget submission includes $47 million, $29 million for procurement and $18 million for MILCON. The building will be constructed at our Depot in Mechanicsburg, Pennsylvania, which will be our primary point of distribution for support of U.S. Forces in the event of an outbreak of hostilities in Europe. The new facility will enhance our ability to provide this support. We plan to use the same high-rise warehouse design as the Navy is using for its mechanized warehouse in San Diego. The $29 million in procurement will finance the mechanized materials handling systems equipment for the automated complex. We feel this approach is the best for DLA and the DoD. It saves both time and resources by taking advantage of what the Navy has already invested in its NISTARS Program. Our plans include using the same approach to modernize the Defense Depot in Tracy, California, beginning in Fiscal Year 1985.

We are also requesting a Family Housing Program of $438,000 operations and maintenance obligational authority and $35,000 for minor construction alterations. These amounts will continue these programs at the current level.

Attached to my statement is a list detailing our Fiscal Year 1984 MILCON request. I will be pleased to answer any questions that you may have.

DEFENSE LOGISTICS AGENCY
MILITARY CONSTRUCTION PROGRAM FY 1984
(DOLLARS IN THOUSANDS)

STATE	INSTALLATION AND PROJECT	MAJOR COMMAND	AMOUNT
INSIDE THE UNITED STATES			
ALASKA	DEFENSE FUEL SUPPORT POINT, ADAK	DFSC	
	FUEL TANKAGE		14,200
	DEFENSE PROPERTY DISPOSAL OFFICE, ANCHORAGE	DPDS	
	COVERED STORAGE		2,500
	SUBTOTAL		16,700
CALIFORNIA	DEFENSE FUEL SUPPORT POINT, LONG BEACH	DFSC	
	FUEL PIER		42,100
	DEFENSE FUEL SUPPORT POINT, OZOL	DFSC	
	FIRE PROTECTION		1,100
	SUBTOTAL		43,200
OHIO	DEFENSE FUEL SUPPORT POINT, CINCINNATI	DFSC	
	NEW FUEL PIER		3,200
	SUBTOTAL		3,200
PENNSYLVANIA	DEFENSE DEPOT MECHANICSBURG	DDMP	
	INTEGRATED MATERIAL HANDLING COMPLEX		18,000
	SUBTOTAL		18,000
VARIOUS	MINOR CONSTRUCTION	VARIOUS	6,430
	SUBTOTAL		6,430
TOTAL INSIDE THE UNITED STATES			87,530
OUTSIDE THE UNITED STATES			
GERMANY	DEFENSE PROPERTY DISPOSAL OFFICE, HANAU	DPDS	
	COVERED AND OPEN STORAGE		1,300
TOTAL OUTSIDE THE UNITED STATES			1,300

DLA ACTIVITIES

Senator **Mattingly**. That was fast. Do you want to brief something on your statement?

Colonel **Potamos**. Yes, sir. I have two or three statements, if I may make them at this time.

The Defense Logistics Agency is continuing three efforts: Primarily in our fuels management area, our excess property reutilization and disposal area, and our minor construction program. We also have a fourth this year, which pertains to modernization and mechanizing our various depots throughout the United States.

POL STORAGE FACILITIES

Senator **Mattingly**. In the written statement you had, you made reference to the increased need for POL storage and that this stage would be gained through leasing and host nation support agreements. Can you tell us how much of a shortfall the Department has in storage facilities, POL storage facilities?

Colonel **Finnerty**. The full answer to that would be classified, sir. We are short the requirements of storage to hold our material requirements. At the current time it amounts to around 50 million barrels.

Senator **Mattingly**. 50 million?

Colonel **Finnerty**. Yes, sir.

Senator **Mattingly**. Have there been any agreements reached or are there any negotiations going on with the host nations?

Colonel **Finnerty**. Both. We have agreements with the countries of Korea and West Germany and Denmark for host nation support, and there are other ongoing arrangements for Japan, more in West Germany. That is all I can think of.

Senator **Mattingly**. Are they just negotiating? Have they consummated any leases at this time?

Colonel **Finnerty**. In the first country, there have been agreements in Korea since 1964, and in the second case they are ongoing.

Senator **Mattingly**. Does your agency have a program designed to increase facilities?

Colonel **Finnerty**. Yes, through host nation support, commercial leasing, and, failing those two sources, military construction.

Senator **Mattingly**. What cost is involved in that as far as military construction?

Colonel **Finnerty**. The cost, as you might expect, would vary widely depending upon where in the world that might be and where we would decide it would be necessary to construct underground tankage versus above ground tankage. We could estimate that above ground tankage in the United States could be built at present costs at around $13 a barrel. Some of our overseas locations, such as Korea, underground storage is about $69 a barrel.

Senator **Mattingly**. Could you explain to the subcommittee how your agency interfaces with the normal supply functions of the services?

Colonel **Finnerty**. Yes. The agency acts as a wholesaler for all of the services and provides on a wholesale basis the fuel to the requiring services. In peacetime support the services obtain all of their requirements either directly from the Defense Fuel Supply Center or through contracts that the Defense Fuel Supply Center has let.

In wartime, the Defense Fuel Supply Center would act as the wholesaler.

Senator **MATTINGLY**. Does DLA procure every item used within DOD?

Colonel **FINNERTY**. With very few exceptions. The requirement is that DLA will procure where the requirement is at least 10,000 gallons. Any time the requirement is over 10,000 gallons, DLA will procure. In some instances on a small installation, if the requirement is not 10,000 that installation will do its own procurement.

CENTRALIZATION OF PROCUREMENT FOR DLA

Senator **MATTINGLY**. I had heard about this prior to this, but I understand recently DLA has come under a lot of fire from the individual services because of your desire to centralize procurement of what you consider to be routine items. Would you explain to me what is involved and any ongoing or future plans for DLA to increase your areas of responsibility?

[Pause.]

Senator **MATTINGLY**. If you do not have the information you can supply it for the record.

Colonel **POTAMOS**. Sir, we will provide that for the record.

[The information follows:]

ITEM MANAGEMENT

The decision as to who manages what items is made by the Office of the Secretary of Defense. Prior to 1982, DLA managed about 1.9 million consumable items while the Services managed about 1.4 million. Several OSD studies indicated it would be more efficient to consolidate all consumable item management with DLA. The Deputy Secretary directed the Services to transfer 200,000 items to DLA as a test. The Services selected and transferred the items beginning last April and the transfer was completed in November.

Although there has been opposition to the consolidation by some of the Military Services purportedly based on readiness related concerns, I understand the GAO is looking at that now at the request of the House and the Senate Appropriations Committees. The previous studies supported the move and I believe that DLA will do a most creditable job in all aspects of related item management. DLA is not the instigator of consolidated item management. All such studies have been initiated by the Office of the Secretary of Defense, under several past administrations. DLA merely executes the decisions rendered. We do view ourselves as a full partner of the Services in achieving and maintaining readiness.

SUBMITTED QUESTIONS

Senator **MATTINGLY**. All right. There will be other questions submitted to you to which you may reply in writing.

Colonel **POTAMOS**. Yes, sir.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MATTINGLY

Question. What other DLA warehousing do you propose to modernize during the next five years? What is the price tag on this program?

Answer. Our current plans are to build similar facilities at our depots in Tracy, California and Memphis, Tennessee at approximately the same price per facility—$14 million construction and $29 million equipment. Currently, we do not feel investments of this size would pay for themselves at our other three depots. We will look at adopting some of the features of the NISTARS system, once operational, at these locations, if economically justified.

Question. Is there some way that other Defense Department Agencies and non-DoD Agencies are made aware of excess material? What about State and local governments?

Answer. DLA/Defense Property Disposal Service provides a weekly Catalog of Declared Excess Personal Property (EPPL) to all DoD activites. GSA provides an Excess Property Catalog to all Federal and State agencies (State agencies to local State and City governments).

MECHANICSBURG, PA., DEPOT MODERNIZATION

Senator **Mattingly**. You made reference in your statement to an $18 million request to modernize your depot in Mechanicsburg. Could you tell us a little bit about how this modernization will improve your efficiency?

Colonel **Potamos**. Sir, primarily what we are attempting to do here is modernize our various facilities at Mechanicsburg, because of two major problem areas there: First of all, the defense itself, because of the age of the equipment we have there, the slowness of the operations and the dependence upon human intervention and limited capacity, would not be able to provide adequate support to U.S. Forces in the event of mobilization.

Second, the Navy at Mechanicsburg, of which we are a tenant, presently has a need for space now used by our depot for storage of their various materials. We are attempting at the present time to modernize the facilities there to make them more efficient, effective, and economical, and at the same time we are looking at a quick payback for the entire facility, which is estimated at 5 years based upon a personnel saving of 470 people per year beginning in fiscal year 1988.

Based upon our current estimate of the impact on Mechanicsburg of growth in the defense budget workload, personnel would increase about 500 if the physical plant remains as it is now. This modernizaiton should make it possible to avoid these increases.

Senator **Mattingly**. Your statement also made reference to receiving, selling and distributing for reutilization over $3 billion in excess materials each year. How much is made from the sales of these materials?

Colonel **Potamos**. Are you talking about a pure profit figure, sir? I do not believe we have it with us.

Senator **Mattingly**. To get to the bottom line, what happens to the money?

Colonel **Potamos**. It is returned to the Treasury. We sell surplus Navy or Department of Defense materiel. The money is returned to the Federal Treasury.

Senator **Mattingly**. And you do not know how much that is, roughly how much that is every year?

Colonel **Potamos**. We could get that for the record, sir.

Senator **Mattingly**. Fine. Those are all of the questions I have. I appreciate it very much.

Colonel **Potamos**. All right, sir. Thank you.

[The information folows:]

AMOUNT TO GENERAL TREASURY FUND

$93.5 million went to the general Treasury fund in fiscal year 1982, which is a typical figure.

DEPARTMENT OF DEFENSE DEPENDENTS SCHOOL

STATEMENT OF DR. WILLIAM F. DELANEY, CHIEF, LOGISTICS DIVISION, DEPARTMENT OF DEFENSE DEPENDENTS SCHOOLS

CONSTRUCTION PROGRAMS

Dr. **DELANEY**. Mr. Chairman, I have a brief prepared statement I will read for the record.

I am Dr. William F. Delaney, Chief of Logistics Division, Department of Defense Dependents Schools.

It is a pleasure to appear before your committee today to present the fiscal year 1984 military construction program for the Department of Defense Dependents Schools [DODDS].

Department of Defense school construction projects since fiscal year 1979 have been included under title IV, Defense Agencies, in the annual DOD military construction program. DODDS has 269 schools, located in 20 countries, to serve the 136,500 DOD students overseas. Many of these schools were established over the past 35 years in temporary, converted, and make-do facilities.

Many of the existing school facilities of DODDS are totally inadequate and incapable of providing a quality education for DOD dependents. However, DOD has initiated actions to aid in alleviating this problem. We recognize that existing substandard, overcrowded, unsafe, and unhealthy school facilities should be upgraded or replaced as rapidly as feasible and that timely, adequate, new facilities should be provided to support new troop missions.

This DOD request includes $103,480,000 for the construction of 19 school projects in eight countries. These DODDS projects will provide new schools or major additions to existing schools.

Your support of these badly needed school construction projects will result in the provision of accredited, adequate school facilities which will be used by 12,500 children of DOD military personnel overseas.

I thank you for the opportunity of appearing before your committee. This concludes my statement. I will be pleased to answer any questions or arrange for the insertion of answers in the record.

TRANSFER OF DOD SCHOOLS TO DEPARTMENT OF EDUCATION

Senator **MATTINGLY**. Some time ago there was this move to take the schools that were under DOD and move them to the Department of Education.

Dr. **DELANEY**. Yes, sir.

Senator **MATTINGLY**. It was stifled. Do you know if there is any move afoot to do that again? What is the status of that?

Dr. **DELANEY**. The legislation creating the Department of Education called for the transfer of schools by May of 1983. That has been extended to May of 1984, and there are measures being taken now to reverse the move altogether. I cannot tell you——

Senator **Mattingly**. Do you mean to cancel it out?

Dr. **Delaney**. Cancel it out, yes, sir.

Senator **Mattingly**. Are there any moves to take these schools and place them under any other agency?

Dr. **Delaney**. No, sir. The Department of Defense and the Department of Education have both testified before congressional committees that the schools should stay within the Department of Defense.

Senator **Mattingly**. Do they follow the same guidelines as are put out by the DOE? Do the DOD schools come under the same criterion as the Department of Education as for schools here in this country?

Dr. **Delaney**. In what respect?

Senator **Mattingly**. Any respect.

Dr. **Delaney**. There are about 15,000 school districts in the United States. Most of those are governed by State and local jurisdictions. The broad Education Department guidelines are usually concerned with Federal funding to local school districts. They will get Federal funding only if they abide by certain provisions of Federal laws. We are bound by the same Federal laws in our school system that stateside school systems are.

Senator **Mattingly**. I feel sorry for you. [Laughter.]

HOST NATION SUPPORT FOR OVERSEAS CONSTRUCTION

Your $103 million request is very substantial in light of the request for overseas construction. Has any consideration been given to asking host nation support in that area?

Dr. **Delaney**. Sir, we do receive host nation support in the Far East. We have had some quid pro quo construction in Japan over the past few years and we still have some ongoing. In Europe we are not eligible for NATO funding for school construction.

Senator **Mattingly**. There is no action, then, ever brought up?

Dr. **Delaney**. It has been discussed at the departmental level, but I do not believe it has been brought up at the international level. DODDS schools are not eligible for NATO funding.

Senator **Mattingly**. All right.

FACTORS DETERMINING SCHOOL SIZE AND NUMBER

What factors do you use to decide whether schools are needed and the size of them?

Dr. **Delaney**. Normally, we will take the recommendations of our regional facilities people and our regional directors on what the needs are. Then we will try to determine the priority by meshing all of the regions' requirements into one program at our level.

Senator **Mattingly**. What do you see for the future? What do you foresee as requirements in the future for more schools?

Dr. **Delaney**. We still have a backlog of close to half a billion dollars in identified school construction requirements, and this does not include unknown new mission requirements that may come up in the next few years, such as the GLCM requirements did last year and this year. You mentioned the $103 million is a large figure for this year, and it is higher than it has ever been. But about one-third of our request is just for the three GLCM schools.

NEED FOR SCHOOLS ON GLCM MISSION BASES

Senator MATTINGLY. Are those schools for the dependents? Is that what you are talking about?

Dr. DELANEY. Yes, the schools will be for the dependents of Air Force personnel assigned to the GLCM mission bases.

Senator MATTINGLY. Are those in this year's budget?

Dr. DELANEY. Yes, sir three of them are.

Senator MATTINGLY. How much money is in that?

Dr. DELANEY. About $35 million.

Senator MATTINGLY. $35 million?

Dr. DELANEY. Yes, sir.

Senator MATTINGLY. I was just wondering, not knowing about the deployment, which we are still in the process of deploying. Now, what—this money that is in this year, when will they begin construction of those schools if we provide the money for fiscal year 1984?

Dr. DELANEY. If the money is appropriated this year, conceivably the schools' construction awards could be made in December or January.

Senator MATTINGLY. This is just hypothetical, but what if the Soviet Union decided to take out the SS-20's and the United States decided to put fewer Pershings and cruises over there. Would that impact the number of schools you would build?

Dr. DELANEY. If the GLCM mission did not go and there was no other mission put into those locations, the need for these specific schools would probably no longer exist. My understanding from talking to Air Force personnel on this is that if the GLCM mission does not go, for whatever reason, it is likely that those bases will be used for some other mission.

Senator MATTINGLY. But you would not have the number of people going over there and the number of students, right?

Dr. DELANEY. If it were a completely builtup base with a new flying mission relocated from another location, it is conceivable the student load could be close to what we are projecting.

Senator MATTINGLY. Do you have any schools within this country, within the United States?

Dr. DELANEY. No, sir.

Senator MATTINGLY. Those are all the questions I have. I have appreciated it very much.

Dr. DELANEY. Thank you.

SUBMITTED QUESTIONS

Senator MATTINGLY. Thank you. Senator Sasser has submitted additional questions to be answered for the record. They will be inserted at this point.

[The following questions were not asked at the hearing, but were submitted to the department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR SASSER

Dependents Schools

Question. A total of $102.8 million is requested for Defense Department Schools at 18 locations overseas. What is the necessity of providing this funding in fiscal year 1984?

Answer. The substandard condition of some of the old, converted, temporary structures being used overseas as schools for education of dependents of military personnel is no longer acceptable. The North Central Association of Colleges and Schools, which accredits DoDDS schools, has been very critical of these deficient, crowded school facilities. This program will upgrade or replace only the worst, unsafe, overcrowded or substandard existing school facilities necessary to support new troop missions. Funding of this program in fiscal year 1984 is required to provide an adequate educational environment and a quality education for 12,500 students that is comparable to that afforded children in public schools in the United States.

Question. How much and at what locations is being requested for schools at ground launched cruise missile sites?

Answer. Elementary and High Schools:

Location:	*Cost in thousands*
Comiso, Italy	$12,990
Greenham Common, United Kingdom	12,770
Other	9,690
Total	35,450

Question. Provide for the record a list outlining the number and locations of dependent schools approved in each of the last five years and a table outlining the number and locations of dependent schools programed in the next five fiscal years.

Answer. 1979—10 projects: At locations as follows: Aschaffenburg, Erlangen, Hanau, Hohenfels, Ludwigsburg, Nellingen, Nuernberg, Ramstein Air Base, Weierhof, and Zweibruecken Air Base in Germany.

1980–7 projects: Grafenwoehr and Schwaebish Gmuend, Germany; Keflavik Naval Station, Iceland; Atsugi Naval Air Facility, Japan; Seoul, Korea; Soesterberg, Air Base, Netherlands; and RAF Alconbury, United Kingdom.

1981–14 projects: Bermuda Naval Air Station, Bermuda; Aschaffenburg, Bad Hersfeld, Baumholder, Ludwigsburg, Pruem Air Station, and Wiesbaden in Germany; Iwakuni Marine Corps Air Station, Sagamihara, and Yokota Air Base in Japan; Osan Air Base, Seoul, and Taegu in Korea; and Clark Air Base, Republic of Philippines.

1982—11 projects: Guantanamo Bay Naval Station, Cuba; Dexheim, Fulda, Landstuhl Air Base, Schwaebish Hall, and Vilseck in Germany; Misawa Air Base and Yokota Air Base in Japan; Pusan and Seoul in Korea; and RAF Croughton, United Kingdom.

1983—16 projects: Guantanamo Bay Naval Station, Cuba; 2 in Bamberg, Hanau, Ludwigsburg, Kaiserslautern Air Base, Karlsruhe, Mainz, Nellingen, Nuernberg, Ramstein Air Base, Wuerzburg and Zweibrucken Air Base in Germany; Yokota Air Base, Japan; Seoul, Korea; and RAF Woodbridge, United Kingdon.

1984—19 projects: Ansbach, Baumholder, Darmstadt, Giessen, Spangdahlem Air Base, and Wildflecken in Germany; Comiso and Vicenza, Italy; 3 in Subic Bay, Clark Air Base in Republic of Philippines; Lajes Air Base, Portugal; Zaragoza Air Base, Spain; Incirlik Air Base, Turkey; RAF Greenham Common, RAF Lakenheath and RAF Wethersfield, and other locations.

1985–1988—Any projection of detailed project requirements beyond the budget year is extremely tentative at best. Such projects have not been subjected to a thorough review and analysis by the DoDDS and DoD staffs to assure that they represent firm school requirements supportable within the dollar levels that might be expected to be available to DoDDS in future years. DoDDS is hopeful that these future programs will be continued at the current proposed budget year level.

DEPUTY UNDER SECRETARY OF DEFENSE FOR INTELLIGENCE

STATEMENT OF CHARLES A. HAWKINS, JR., ASSISTANT DEPUTY UNDER SECRETARY OF DEFENSE FOR INTELLIGENCE, OFFICE OF THE UNDER SECRETARY OF DEFENSE FOR RESEARCH AND ENGINEERING

ACCOMPANIED BY:

CRAIG L. WILSON, DIRECTOR, INTELLIGENCE HUMAN RESOURCES
LT. COL. FREDERICK MEURER, FACILITIES ENGINEER

INTRODUCTION OF WITNESSES

Mr. HAWKINS. Mr. Chairman, I am Charlie Hawkins, the Assistant Deputy Under Secretary of Defense for Intelligence. I work in the Office of the Under Secretary for Research and Engineering. Our office has the primary functional responsibility in the Department of Defense for the defense foreign language training program.

With me today is Mr. Craig Wilson, who is the Director of Intelligence Human Resources in my office, and Lt. Col. Frederick Meurer, who is Facilities Engineer at Fort Ord, Calif.

BUDGET REQUEST FOR DEFENSE LANGUAGE INSTITUTE

What we would like to do is testify on behalf of the fiscal year 1984 request for the Defense Language Institute in Monterey, Calif. A written statement has been prepared and submitted to the committee, and I ask it be entered into the record and I will briefly summarize it.

Senator MATTINGLY. Without objection.

[The material follows:]

PREPARED STATEMENT OF CHARLES A. HAWKINS, JR., ASSISTANT DEPUTY UNDER SECRETARY OF DEFENSE (INTELLIGENCE)

Mr. Chairman and Members of the Committee, I am Mr. Charles A. Hawkins, Jr., Assistant Deputy Under Secretary of Defense for Intelligence, Office of the Under Secretary of Defense for Research and Engineering. Accompanying me today is Mr. Craig L. Wilson, Director, Intelligence Human Resources in my office and LtCol Frederick Meurer, Facilities Engineer, Fort Ord, California. Our office has the primary functional responsibility for the Defense Foreign Language Training Program; the Department of the Army is the Executive Agency for accomplishing the training.

It is a privilege to testify on behalf of the fiscal year 1984 military construction request for the Defense Language Institute Foreign Language Center, Presidio of Monterey, California. This year we are requesting authorization and appropriation of $29.1 million for three projects: a general instructional (classroom) facility; barracks for enlisted students, and a base-wide utilities upgrade.

The Defense Language Institute Foreign Language Center (DLIFLC) in Monterey, CA is the premier school for the training of linguists for the Department of Defense. In excess of 80 percent of the graduates of the school are assigned to critical intelligence positions in the United States and overseas. The Institute provides for, and assures instruction in 48 foreign languages and major dialects. Expanding defense and intelligence requirements have stimulated a growth in student loads, increasing in excess of 60 percent in the last five years. The accomplishment of the training mission is a Defense-wide priority, and the school has been forced to open auxiliary, temporary sites at available property in Texas and San Francisco; these sites must be vacated by fiscal year 1985 and fiscal year 1987, respectively. The school has also been forced to rent commercial (former public school) property in the metropolitan Monterey area to secure adequate classroom, office, and administrative support space. To meet these expanding space requirements and to replace badly outdated (1903) construction now being used, the Department of Defense embarked on a major site modernization program for the Presidio of Monterey to support DLIFLC requirements.

In fiscal year 1983, DoD proposed, and Congress approved, the first phase in a major construction effort to provide adequate classrooms, barracks, and support facilities aimed at ensuring high standards of training through 1990 and beyond. The fiscal year 1983 projects include an 80 classroom general instructional facility, and barracks space for 690 enlisted personnel. Ground has already been broken for the classroom building and construction of the barracks will begin this summer. The proposed fiscal year 1984 construction program continues the development of required classroom and barracks space, providing an additional 80-classroom general instructional facility and barracks for approximately 600 enlisted students. To support these living and working areas, the Department has provided for a base-wide utilities upgrade, which includes roads, drainage, water, sewage, power, and related enhancements. This utilities modernization is also designed to accommodate planned construction beyond the budget year. A master site plan has been developed, approved by the Department, and is being discussed with local governments. The required environmental assessments are also being accomplished.

Without these new facilities, we are concerned that the Military Departments and Defense Agencies will not be able to meet critical intelligence, cryptology, international studies, strategic planning, analysis, and force deployment objectives. The assessment of future requirements requires that we continue a capital investment in adequate, but modern, facilities, pressing on toward the development of the DLIFLC as a key national resource for foreign language training. Full Congressional support for this program is essential and will be appreciated.

Mr. Chairman, that completes my prepared statement. Mr. Wilson, Lt. Col. Meurer, and I will be pleased to answer any questions you may have.

ACTIVITIES OF DLI

Mr. HAWKINS. The Defense Language Institute [DLI] is the primary school for the training of linguists in the Department of Defense. More than 80 percent of its graduates are assigned to critical intelligence positions in the United States and overseas. The institute provides for, and assures instruction in, 48 foreign languages and major dialects. Student entries have increased 64 percent in the 5 years from fiscal year 1979 to fiscal year 1983. The accomplishment of the training mission is a high defense-wide priority, and the school has been forced to open auxiliary, temporary sites to meet this objective; sites which must be vacated as early as 1985. To meet the expanding space requirements, and to replace outmoded facilities, built in 1903, the Department of Defense has embarked on a major site modernization program for the Presidio of Monterey to support language center requirements.

CLASSROOM, BARRACKS, AND SUPPORT FACILITIES CONSTRUCTION

In fiscal year 1983, DOD proposed, and Congress approved, the first phase in a major construction effort to provide adequate classrooms, barracks, and support facilities aimed at insuring high standards of training through 1990 and beyond. The fiscal year 1983 projects included an 80-classroom general instructional facility, and barracks space for 690 enlisted personnel.

Ground has already been broken for the classroom building. The barracks design has been completed, and construction will begin this summer.

The proposed 1984 construction program continues the development of required classroom and barracks space. It will provide an additional 80-classroom general instructional facility, and that was budgeted at $9.2 million. It will also provide barracks space for approximately 600 enlisted students, budgeted at $14.3 million.

To support these living and working areas, the Department has also budgeted for a $5.6 million base-wide utilities upgrade, which includes roads, drainage, water, sewage, power, and related enhancements. The utilities modernization is being designed to accommodate planned construction beyond the budget year as a matter of prudence.

The master site plan has been developed and approved by the Department and it is being discussed with local governments. The required environmental assessments are also being accomplished.

Without these facilities, we are concerned that the military departments and defense agencies will have substantial difficulty in meeting critical intelligence, cryptology, international studies, strategic planning, analysis, and force deployment objectives. The construction program is sorely needed. It is long overdue and it is endorsed by the highest levels within the Department of Defense.

We realize the role of the Defense Language Institute as a key national resource for foreign language training. Congressional support for this program is essential and will be appreciated.

Mr. Chairman, that concludes my remarks.

Senator MATTINGLY. We have just a very few questions. Some can be answered in writing.

USE OF PRIVATE COLLEGES AND UNIVERSITIES

Does DOD still depend on any private colleges or universities for training linguists?

Mr. WILSON. Yes, sir. We make use of a collection of facilities that includes the Foreign Service Institute. There are institutes both here in the United States and abroad in several countries. The bulk of our training in the Department is for enlisted people and therefore we tend to train our own because that level of skill is not a part of the demographics of the feeder population of the All-Volunteer Force.

For civilians and officers recruited into the Department of Defense, however, we are able to get and continue training of these people in a collection of university programs, especially those who have developed higher level skills in the language and associated area studies.

Senator MATTINGLY. Higher level skills than what would be taught in a university or college?

MR. WILSON. Higher than what we are teaching at the basic level at the Defense Language Institute. We use the universities—agencies such as the Defense Intelligence Agency and the National Security Agency, and the military departments do use university and college programs to enhance their area studies.

Senator MATTINGLY. But for the basics you do not?

Mr. Wilson. For the most part, our basic training and the basic training of military people is at the Language Institute.

BASICS TRAINING

Senator Mattingly. You have probably already said this, but I still do not understand why they do not do more in the basics than they do in the colleges or universities.

Mr. Wilson. The difficulty, as I mentioned before, is our largest requirement. Well the difficulty, as I mentioned before, is our largest requirement. Well in excess of 80 percent of the department's requirement for linguists, is for enlisted personnel at the lower grades, from E-1 on through the specialist level. These people are still in a basic training mode and many still are involved in the soldierization process of learning how to be in the Army or the Air Force.

For these people——

Senator Mattingly. Do you teach them languages at the same time they are going through basic training?

Mr. Wilson. No, they finish basic they go to language school, and then most of them, in fact almost all of them, go on to learn other specialties where the language is supportive. And it is difficult for us to have this level of enlisted personnel in a university environment.

It would also be hard for quality control for this number of people, to make sure we are getting the level of skill we need. The learning objectives at the Language Institute are driven by the user population. The security agencies, the intelligence components, tell the school what they need; we build our curriculum to match that.

ADVANCED TRAINING FACILITIES

Senator Mattingly. It is my understanding that most, if not all, of your students complete their language course and then are sent for further training. You are talking about like in cryptology. Is any of that advanced training done in Monterey?

Mr. Wilson. No, sir. The vast majority of it is done at Goodfellow Air Force Base in San Angelo, Tex.

Senator Mattingly. How is the master plan progressing now with the Department of Defense?

Mr. Wilson. It is done in crude. In terms of the siting and land use studies to insure that we were in consonance with our neighbor cities, that is done. That is being processed through the environmental assessment process right now to final completion. But it is done. We have shown that we have the growth capability, the real estate is there to demonstrate that we could get all the program in that we need.

FUTURE FACILITIES PROJECTIONS

Senator Mattingly. Do you have any plans for major facilities in the next 5 years, any projections?

Mr. Wilson. Yes, sir. We have provided staff with a copy of a plan. The Department of Defense, as we have stated, has already broken ground for fiscal 1983 projects. We are asking for $29.1 million in fiscal 1984. We are currently planning and developing a program that may include $21.3 million in fiscal 1985, although we have not developed a program finitely for the outyears. These are our projections for the years 1986 through fiscal 1990. It is a major modernization program.

Senator MATTINGLY. It certainly is.

For my own information, how many different languages do you train people in?

MR. WILSON. At the Language Institute itself, we have 38. We pick up another 10 at other institutes we use. We try to have consolidated management of foreign language training. In other words, the commandant at the Language Institute pays the bill when Defense sends somebody to the State Department and we pick up other languages there.

We use the Foreign Service Institute primarily to train those people we have going into the Defense Attache Service.

PERSONNEL TRAINED ANNUALLY

Senator MATTINGLY. How many people do you train a year?

Mr. WILSON. In excess of 5,000, approximately 5,000.

Mr. HAWKINS. Moving toward 6,000.

Mr. WILSON. That does not include the efforts of the National Security Agency, which trains many people in foreign languages, as well as the efforts of——

Senator MATTINGLY. That is separate from this?

Mr. WILSON. Yes, sir; as well as those that we train in colleges and universities for special programs of one kind or another, as well as the refresher, maintenance, and adult education programs that take place around the world, which may involve as many as 100,000 people a year in some kind of foreign language refresher, maintenance, or orientation training.

Senator MATTINGLY. I do not want to belabor this, but this is intriguing to me. I assume the people you get have outstanding IQ's, evidently?

Mr. WILSON. We test them. Intelligence may not have anything to do with IQ. As a business we test people in language aptitude battery tests at the time they go to enlist. After they take their Armed Forces Vocational Aptitude Battery, if they come out high enough on that we give them a language aptitude test to see if they want to go into the language field.

Senator MATTINGLY. Maybe we should take some of the learning techniques you have and send them over to the Department of Education and see if they can send them down to some of the other areas.

Mr. WILSON. We share professionally with the Department of Education.

Senator MATTINGLY. I will not pursue that any further.

Thank you all very much.

SUBCOMMITTEE QUESTIONS

The subcommittee will submit additional questions to you for reply in the record. They will be inserted at this point.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

SUBMITTED QUESTIONS

QUESTION: Is all foreign language training for the Department of Defense done at the Presidio or other DoD sites?

ANSWER: The majority of DoD training for military linguists is at the Defense Language Institute Foreign Language Center (DLIFLC), Presidio of Monterey and its two temporary annexes at Lackland AFB, Texas and the Presidio of San Francisco. The Department also sends personnel to be trained at the State Department's Foreign Service Institute (mostly Defense Attaches).

The National Security Agency also conducts foreign language courses at its National Cryptologic School. Military and civilian professionals train in Defense-sponsored university and college language and area studies programs both in the US and overseas. The Department also provides for skill maintenance and enhancement programs at military installations world-wide and at special schools supporting theater operations (e.g., Munich and Garmisch).

QUESTION: I understand that your site in Monterey is relatively small. With your plans for further construction and increasing student loads, will the Presidio be able to accommodate the facilities.

ANSWER: Yes. The Presidio of Monterey has approximately 390 total acres of which about 260 are being used. This leaves approximately 130 acres for development, and this is enough to accommodate estimated expanding student requirements through the decade and beyond. The planned construction is also intended to replace existing 1903-1911 temporary construction which will be destroyed.

QUESTION: Your statement makes reference to a master plan for the site being approved by the Department of Defense and being discussed with local governments. What is the school's relationship with the local community? Has there been any discussion of moving the school out of this prime residential area?

ANSWER: Planning for all construction at the Presidio is done in accordance with the provisions of the National Environmental Protection Act which requires input from, and coordination with, local governments and other interested groups. For the 1984 constuction projects, and those being considered for 1985 and beyond, the required impact assessments are being accomplished and the master construction program has been presented at several public meetings. So far, no objections have been raised that can not be easily mitigated through design changes. In the past, the Army has cooperated fully with the local governments, coordinating the Presidio's land use programs with those of the surrounding communities. For example, the fiscal 1983 barracks construction was re-sited in consideration of community issues concerning surface drainage, local skyline view, and saving trees. Based on proposed expansion plans, the cities of Monterey and Pacific Grove have already expressed a willingness to co-fund storm drainage and roads construction projects. The DLIFLC has also agreed to allow community use of athletic fields scheduled to be developed at the Presidio. Overall, relationships concerning contruction as well as other aspects of community life proceed smoothly.

Two-thirds of the Presidio are alreay developed as the DLIFLC and it behooves the Department to consolidate its foreign language training operations in order to offer the most effective training and continued curriculum and test development. We believe the DLIFLC is a good neighbor, providing a campus atmosphere that enhances the presence of a military installation. Movement to other locations would require substantial military construction and would inefficiently decentralize the training function.

QUESTION: The Department is requesting $29.1 million for expansion and modernization of the Defense Language Institute. Last year the Congress approved the first phase of this expansion. What is proposed over the next five years for the Institute.

ANSWER: The construction projects for fiscal 1983 and 1984 are for classrooms and baracks, and a general base-wide utilities upgrade to support current and future construction. For FY 1985 through 1990, the Department is planning the construction of necessary recreational, athletic, library, and related student, facility, and staff support facitities. The plan, as currently drafted is as follows:

FY 1985: $21.3M - Physical Fitness Center
Academic Library
Child Care Center
Recreational Center
Logistical Support/Print Plant

FY 1986: $1.1M - Skill Development Center

FY 1987: $8.9M - Auditorium and Theatre
Bachelor Officers Quarters

FY 1988: $6.1M - Training Development Facility
Instructional media Center

FY 1989: $29.7M - International Cultural Center
Instructional Facility } as required
Barracks }

QUESTION: What is the current situation which justifies such expenditures at this time?

ANSWER: The Defense Language Institute has embarked on a long overdue major facilities expansion program aimed at supporting a substantially increasing foreign language training requirement. Student loads (average daily population) and inputs (total incoming) have and will increase as follows:

FY	LOAD	INPUT	% increase from FY 79 (Load)
79	2001	3525	-
83	3392	5471	70%
85	3564	5748	78%

These training loads reflect overall increases in foreign language requirements, and provide a pipeline to the 15,850 positions in the Department of Defense that demand foreign language skills. (This total requirements number is expected to exceed 17,000 by 1984). The principal reasons for increases are associated with expanded intelligence missions and capabilities:

- Increased use of voice communication worldwide, accompanied by our increased technology and capability to collect such communication.
- Increased direct intelligence support to tactical commanders.
- Expanded foreign language requirements to support the Rapid Deployment Joint Task Force (RDJTF).
- Expanded training of linguists in reserve components as a contingency force.

QUESTION: Last May the GAO released a report on the DLI. The GAO made a number of recommendations for improvements of the operation of the school. Please list for the record each recommendation of the GAO and the actions that have been taken to correct the identified deficiencies.

ANSWER: In February, 1983 the Army reported the following actions to the DoD Inspector General, which were then forwarded to GAO:

1. SYNOPSIS OF RECOMMENDATION: Develop resident basic courses using commercial available materials whenever these can be adapted at less cost and in less time than in-house development efforts.

SYNOPSIS OF FULLY COMPLETED ACTION: In addition to commercial sources, DLI is also using other government agency and university progrms. Action considered completed in July, 1982.

2. SYNOPSIS OF RECOMMENDATION: Extablish controls over course development projects which provide the means to assess progress against specified target dates.

SYNOPSIS OF FULLY COMPLETED ACTION: The Defense Language Institute Foreign Language Center (DLIFLC) established a program management office to plan, obtain resources for, and monitor each course development project. Action completed July, 1982.

3. SYNOPSIS OF RECOMMENDATION: Develop and distribute a standard schoolwide training methodology for use in all language departments.

SYNOPSIS OF FULLY COMPLETED ACTION: DFIFLC has a teaching methodology that is very similar to those used at several universities and at the Service academies where foreign languages are taught. The methodology used at DLIFLC has the potential of being the most efficient of all possible methodologies in that it allows for modification to meet the preculiarities of each language taught, the students in each class, and the background and experience of each instructor. DLIFLC will (1) identify an appropriate name for their current eclectic methodology, (2) describe it in a DLIFLC policy document, (3) include it in the DLIFLC faculty training programs and (4) implement the methodology throughout all DLIFLC language departments. Action completed January, 1983.

4. SYNOPSIS OF RECOMMENDATION: Require all newly hired instructors to complete both phases of the basic instructor-training course. In addition, instructors should be encouraged to seek out additional training to improve their instructional abilities as part of the individual development programs.

SYNOPSIS OF FULLY COMPLETED ACTION: The policies are in effect and were at the time of the GAO report.

5. SYNOPSIS OF RECOMMENDATION: Establish procedures to carry out the reinstated policy for supervisory classroom visits and hold supervisors accountable for routinely observing instructor classroom behavior.

SYNOPSIS OF FULLY COMPLETED ACTION: Requisite DLI policies had been temporarily recinded, but have now been reinstated and are being enforced. In addition, the DLI has developed a supervisors' course to upgrade the overall effectiveness of supervision, especially in the area of instructor evaluation. Actions have already been taken to include evaluation of subordinate instructors as a Critical Element for supervisors. Action completed July 1982.

6. SYNOPSIS OF RECOMMENDATION: Establish realistic training objectives based on mission requirements. Use the Defense Language Proficiency Test to measure students' performance in satisfaction of these objectives and require that students pass the test as a condition for graduation.

SYNOPSIS OF FULLY COMPLETED ACTION: DLI is participating in the Interagency Language Roundtable reviewing U.S. Government language proficiency standards. These standaards, when published, will be the basis for DLI training objectives. Passing the proficiency test is now required for graduation. Action completed January 1983.

7. SYNOPSIS OF RECOMMENDATION: Develop a Defense Language Proficiency Test that will measure student proficiency of the objectives and standards established by the Institute.

SYNOPSIS OF FULLY COMPLETED ACTION: The DLPT II has been renormed in six languages; three other languages are in progress; all others will be accomplished by the end of FY 1983. A third level (DLPT III) of proficiency tests is also underway to measure upper level skills.

FACILITY REQUIREMENTS AND RESOURCES

STATEMENT OF DUNCAN HOLADAY, ASSISTANT DIRECTOR, FACILITY REQUIREMENTS AND RESOURCES, OFFICE OF THE DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR INSTALLATIONS, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER, RESERVE AFFAIRS, AND LOGISTICS

BUDGET REQUEST

Mr. **HOLADAY**. I have a very brief statement I will read for the record.

I am pleased to have this opportunity to appear before you to discuss our request for emergency construction, minor construction, and planning and design funds for fiscal year 1984.

We are requesting $30 million for emergency construction, as we did last year. These funds are needed to give the Secretary of Defense the ability to undertake urgent, unforeseen military construction vital to the security of the United States. The current balance in this account is $13.7 million, which could well be consumed in the remaining 6 months of 1983. The additional funds are needed to restore the account to a prudent level.

MINOR CONSTRUCTION

With regard to minor construction, we are requesting $4 million, the same as last year. We think this is a reasonable estimate of the funds needed to give the defense agencies the ability to react to unexpected situations affecting mission performance or the safety of life and property.

PLANNING AND DESIGN

This year we are requesting $33 million for planning and design. These funds will be used primarily to design projects that will be submitted in our fiscal year 1985 and 1986 budgets. This level of funding is needed to attain a proper level of design before submitting those budgets to you, and to assure that we can execute the programs on schedule.

I will be happy to answer any questions you might have.

OPERATION OF EMERGENCY CONSTRUCTION FUNDS

Senator **MATTINGLY**. Tell me how emergency construction funds operate.

Mr. **HOLADAY**. Those are funds that are only used to react to unforeseen requirements, where we need to go into construction on items vital to the security of the United States and we cannot wait to go through the approval process that we normally do, the authorization and appropriation process.

Senator MATTINGLY. Can you give me an example of the projects?

Mr. HOLADAY. Yes, sir. In 1982 we requested $19 million: $12 million for one Army project for the design and construction of facilities to support the Joint Special Operations Command at Fort Bragg, and $7 million for site preparation and construction of a base camp at Ras Banas; $5.5 million of that latter $7 million is awaiting approval of the House Appropriations Committee.

Senator MATTINGLY. I have heard that before.

Are these high security projects?

Mr. HOLADAY. Yes, sir; those that are deemed necessary for the security of the country.

Senator MATTINGLY. Defense access roads would not be?

Mr. HOLADAY. No. We come to the committees to notify you of any requests for authority with a complete disclosure of why we want it, and it requires a minimum 21-day waiting period following notification of the committee before we can use the funds.

Senator MATTINGLY. Your request for planning and design this year is for $33 million, almost double—it is double what we gave you, not quite double what you asked for last year.

Senator MATTINGLY. Yes, sir.

OUT-YEAR PROGRAM INCREASES

Senator MATTINGLY. That obviously means you could have a sizable program increase in the out-years.

Mr. HOLADAY. We expect to have a program increase in the out-years. I do not have the exact figure. We do have some carryover funds from prior years being used in 1983 to design 1984 and 1985 projects.

SUBMITTED QUESTIONS

Senator MATTINGLY. For the rest of the questions, you can respond in writing. I appreciate your testimony.

Mr. HOLADAY. Thank you.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MATTINGLY

Emergency Construction Funds

Senator Mattingly: Please provide for the record a list for the last five years showing authorization and appropriation levels for the emergency construction fund. And, please show exactly how much has been expended and on what to bring us to the $13.7 million balance in the account.

Answer: The amounts authorized and appropriated for emergency construction for the five year period FY 1979 through FY 1983 are as follows:

Fiscal Year	Amount Authorized	Amount Appropriated
1979	$10,000,000	$10,000,000
1980	15,000,000	5,000,000
1981	15,000,000	10,000,000
1981 Supplemental	-	5,000,000
1982	15,000,000	15,000,000
1983	5,200,000	5,200,000

Projects initiated during the same five year period are as follows:

Projects authorized in FY 1979:	
Army:	
Construction required in the Panama Canal Zone to permit relocation of military functions required under terms of the Panama Canal Treaty	$10,900,000
Defense Mapping Agency:	
Modification of two facilities at the Defense Mapping Agency Aerospace Center, St. Louis AFS, Missouri, to meet Air Force Requirements associated with deployment of the cruise missile force	2,900,000
Total authorized in FY 1979	$13,800,000
Projects authorized in FY 1980:	
National Security Agency:	
Construction to support relocation of existing remote collection activities	$ 2,379,000
Navy:	
Construction of personnel support facilities at the Naval Support Facility, Diego Garcia, British Indian Ocean Territory	8,600,000
Total authorized in FY 1980	$10,979,000
Projects authorized in FY 1981:	
Army:	
Design and construction of administrative and storage facilities for the Joint Special Operations Command at Fort Bragg, North Carolina	$ 3,200,000
Navy:	
Construction of facilities to support SEAL TEAM SIX, Fleet Combat Training Center, Dam Neck, Virginia	3,130,000
Air Force:	
Construction of facilities to support the 20th Special Operations Squadron, Hurlburt Field, Florida	2,350,000
Total authorized in FY 1981	$ 8,680,000

Projects authorized in FY 1982:

Army:	
Design and construction of facilities to support the Joint Special Operations Command, Fort Bragg, North Carolina	$12,000,000
Site preparation and construction of base camp, Ras Banas, Egypt	7,000,000
Total authorized in FY 1982	$19,000,000

Projects authorized in FY 1983:

None to date (March 24, 1983)

Our current balance of $13,738,000 is simply the difference between the total amount appropriated for emergency construction, since inception, and utilization to date. Although in some years larger amounts were authorized, the excess authorization is no longer "alive" as a result of repeal provisions of the annual Military Construction Authorization Acts. We are currently governed by codified authority provided under 10 USC 1804(a), Contingency Construction, which provides that, "within the amount appropriated for such purpose, the Secretary of Defense may carry out a military construction project not otherwise authorized by law, or may authorize the Secretary of a military department to carry out such a project, if the Secretary of Defense determines that deferral of the project for inclusion in the next Military Construction Authorization Act would be inconsistent with national security or national interest." Thus, our unused authorization and appropriation balances are the same -- $13,738,000.

Defense Agency Budget Execution

Senator Mattingly: What obligation rates are you able to maintain for the Defense agencies? For example, how much of the FY 1982 program was actually put under contract during FY 1982? What is the status of the FY 1983 program?

Answer: During FY 1982, $228.7 million, or 76 percent of the enacted FY 1982 program of $299.5 million was obligated. As of February 28, the fifth month of the fiscal year, $117.2 million, or 34 percent of the FY 1983 enacted program has been obligated. By end FY 1983, we expect to achieve the same rate for the FY 1983 program as we achieved for the FY 1982 program.

QUESTIONS SUBMITTED BY SENATOR SASSER

Emergency Construction

Senator Sasser: The Department is requesting $30 million for emergency construction. How will these funds be utilized?

Answer: Emergency construction funds are used to finance previously unforeseen time-critical construction projects which, because of military exigency, should not be deferred for inclusion in a subsequent budget submission. Each use of the fund requires a written determination by the Secretary or Deputy Secretary of Defense that deferral would be inconsistent with national security or national interest. The committees on Armed Services and Appropriations, House and Senate, are notified immediately in writing by the Secretary (or Deputy Secretary) of each decision to use the fund, including the justification upon which the decision was made.

Projects Funded During FY 1982

Senator Sasser: Please list for the record all projects funded from this program in FY 1982.

Answer: Projects funded during FY 1982 are as follows:

Design and construction of facilities to support the Joint Special Operations Command, Fort Bragg, North Carolina	$12,000,000
Site preparation and construction of base camp, Ras Banas, Egypt	7,000,000

Projects Approved in FY 1983

Senator Sasser: Please list those projects approved to date in FY 1983.

Answer: To date, no projects have been approved in FY 1983.

· Justification for Each Project

Senator Sasser: Provide a brief justification for each project funded by this account.

Answer: The project at Fort Bragg provided for construction of training and support facilities required to meet a full operational capability date of July 1982, for expansion of the Joint Special Operations Command mission.

The construction effort at Ras Banas, Egypt provided for mine clearing and a mobilization camp in an effort to accelerate construction of strategic facilities contained in the regular budget submission.

Minor Construction

Senator Sasser: The Department has requested $4 million for minor construction. How will these funds be utilized?

Answer: The amounts provided for exigent minor construction are used to finance construction of facilities for which the need was not known or forseen in time to be included in the regular budget submissions. Generally, these construction projects are initiated to remedy situations affecting mission performance or safety of life and property.

Projects Funded in FY 1982

Senator Sasser: Please list for the record all projects funded from this account in FY 1982.

Answer: The following projects were initiated during FY 1982:

Defense Logistics Agency	
Defense Construction Supply Center, Columbus, Ohio	
Computer Training Facility	$150,000
Center Heating Plant Improvements	117,000
Defense Depot, Mechanicsburg, Pennsylvania	
Expand Contractor Operated Parts Department	175,000
Defense Fuel Support Point, Verona, New York	
Water Pollution Abatement	290,000
National Security Agency	
Classified Location	
Upgrade Airconditioning System	468,000

Defense Audiovisual Agency	
Headquarters, Naval District of Washington, Anacostia, Washington, D.C.	
Alterations for Still Photo Depository	350,000
Secretary of Defense Activities	
Equal Opportunity Management Institute, Patrick Air Force Base, Florida	
Training Facility Alterations	250,000

Minor Construction

Senator Sasser: List those projects approved to date in FY 1983.

Answer: The following project has been initiated to date (March 25, 1983):

Defense Intelligence Agency	
Pentagon, Washington, D.C.	
National Military Intelligence Center Computer Facility Expansion	$211,000

Planning

Senator Sasser: OSD is requesting $33 million for planning and design for FY 1984. List for the record all planning and design projects approved in FY 1982 and to date in FY 1983.

Answer: The Office of the Secretary of Defense does not make the determination as to the individual projects to be initiated, but rather, allocates planning and design funds to the individual Defense agencies and activities responsible for the construction programs under their purview. The following sums were allocated during fiscal year 1982 and in FY 1983, to date (March 25, 1983) for planning requirements of Defense agencies and activities:

	FY 1982	FY 1983
Defense Mapping Agency	$1,311,524	$ 450,000
Defense Logistics Agency	56,000	0
Defense Nuclear Agency	890,000	175,000
Defense Investigative Service	12,000	0
National Security Agency	5,002,000	4,500,000
Defense Activities:		
Overseas Dependent Schools	7,000,000	5,000,000
Section 6 Dependent Schools	0	2,500,000
Classified Activities	750,000	850,000
Headquarters, USEUCOM	800,000	0
Defense Systems Management College, Fort Belvoir, VA	280,000	0
Defense Language Institute, Monterey, CA	600,000	0
High Energy Laser Systems Test Facility, White Sands Missile Range, NM	400,000	135,000
Equal Opportunity Management Institute, Patrick AFB, FL	20,000	0

NATIONAL SECURITY AGENCY

STATEMENT OF ROBERT E. RICH, DEPUTY DIRECTOR, NATIONAL SECURITY AGENCY

ACCOMPANIED BY:
FRANCIS X. O'CONNOR, ASSISTANT DIRECTOR FOR INSTALLATIONS AND LOGISTICS
THEODORE L. NEWBERG, CHIEF, INSTALLATIONS

CURRENT AGENCY PROJECTS

Senator MATTINGLY. All right. You may just submit your statement for the record and summarize it, or say whatever about it you would like to do.

Mr. RICH. I would like to give the committee one or two points of emphasis, if I may, in addition to the statement for the record, mainly because I think it may be useful to the committee for their perspective about these projects.

We have in this program four major projects of the National Security Agency, over $76 million, and three minor ones. The points I would like to make relate to the focus of Agency activity at the present time.

MISSIONS

We are engaged in two principal missions that have been constant virtually since World War II. First, the production of signals intelligence by the interception of foreign signals and the intelligence processes of converting that into information in support of the entire U.S. Government.

The second mission is the protection of U.S. official communications from foreign penetration, or the communications security mission. These together make up what we call the cryptologic activities of the U.S. Government. They are both managed by the Director of the National Security Agency as the program manager not only for the Defense Department, but for the remainder of the Government as well.

In addition to these principal functions, we have lately been charged with the function of computer security, that is, the business of analyzing how to protect a growing complex of computers within the Department of Defense and to protect those from foreign penetration. That is a mission which was assigned to us by the Secretary of Defense in the summer of 1981.

I make those points simply to emphasize, Mr. Chairman, that much of what you have before you in this program is driven by both an expanded program authorized by the Congress for us in recent years and, second, the fragility and sensitivity of the activity itself. That determines to a degree the kinds of facilities we need to operate in, and the technology that supports these activities has a lot to do with the nature of the construction required.

SPECIAL PROCESS LABORATORY

I would make only one point in connection with the specific request, and that is that we are requesting the authority to proceed with what we are calling a "special process laboratory" to be constructed at Fort Meade. The reason for that is that we find that in the microelectronics technology that confronts us now, we need to expand considerably what we are doing in that technology in order to make modern chips with the capability of carrying the electronics we have to have to support both of those missions I mentioned.

That means the nature of that building needs to be special. It needs to be isolated from vibration in the foundation, and it needs to have a controlled environment in the interior. So that the cryptologic mission and the computer security mission, which is new, are the factors which have driven us to request new construction for that purpose.

The remainder of the projects are classified activities overseas in our intelligence collection mission, in the Far East and in Europe.

I would stop there, Mr. Chairman, and take any questions that you may have.

[The prepared statement of Mr. Rich follows:]

PREPARED STATEMENT OF ROBERT E. RICH

DEPUTY DIRECTOR

NATIONAL SECURITY AGENCY

Mr. Chairman and members of the committee: I appreciate the opportunity to appear before you today to discuss the NSA FY1984 budget for military construction. The projects comprising this request are extremely important to the conduct of the Signals Intelligence (SIGINT), the Communications Security (COMSEC), and the Computer Security missions of the United States Government. The Director is the Program Manager for SIGINT for the Secretary of Defense and the Director of Central Intelligence. He is also the Program Manager for COMSEC and for technical measures in Computer Security for the Secretary of Defense. The FY1984 request consists of four major projects costing $76,090,000 and an additional three minor construction requirements consisting of $1,660,000 for a total cost of $77,750,000. I will now discuss each project.

Major Construction Projects, $76,090,000

The first of our FY84 Construction Projects is a Special Process Laboratory Facility. This proposed project will provide 240,000 square feet of space and will consist of two major parts:

(1) A Microelectronics Design and Fabrication Facility, and
(2) A Computer Security Research Laboratory.

The major portion of this facility will house a microelectronics design and fabrication facility where we can perform integrated circuit design and fabrication as well as the assembly of printed wiring boards. This facility will primarily support our COMSEC operations and will also provide some benefits to our SIGINT mission. The existing building which houses our limited microelectronics facility is totally saturated and is lacking in many of the building and industrial concepts which are needed to upgrade the facility to meet our anticipated requirements. Other space to be made available as a result of our ongoing construction projects is to be fully occupied by operational elements. We have no options to handle the projected workload other than to obtain additional space.

The requested microelectronics facility is the only means by which we could meet the stringent environmental demands of producing devices using advanced technologies. One example of the advantage this facility would afford is in the planned use of vibrational isolation, a method of construction that results in a motionless or vibration-free work area. This does not exist in our present facility and is absolutely required for producing microelectronic devices in the technologies of the immediate future. This isolation must be incorporated into the basic foundation and structural aspects of the building and cannot be done by modifying present facilities.

At present, microelectronics are used in most NSA COMSEC applications. During FY82, over one million custom-designed integrated circuits were fielded in COMSEC equipments worldwide. In FY83, the number is expected to be 1.4 million, and will soar to 2.5 million by FY87. The vast majority of parts is procured from industrial sources. However, small numbers of these integrated circuits are so highly classified that they must be fabricated in our in-house facility. Since 1976, almost 16,000 such devices have been built.

The microelectronics technologies used for our COMSEC developments are doubling in complexity every two years. The applications for these technologies are highly sensitive, and are classified at the highest levels. This factor alone makes us very reluctant to have contractors develop and fabricate microelectronic circuits. Generally, the contractors which possess the capability to produce the circuits in the advanced technologies we require are reluctant to design and produce these circuits for us because the very limited quantities that we require make the venture highly unprofitable for them. Consequently, we have no choice but to fulfill our current and projected needs for very sensitive microelectronics with an in-house capability. By 1987, our projected requirements will demand in-house capability for performing about 40 new custom designs per year and fabricating in the neighborhood of 150,000 highly classified parts per year.

A state-of-the-art microelectronics capability is absolutely essential to employ Very Large Scale Integrated technologies in all applications. The Special Process Laboratory Facility would be the center for exploiting the enormous potential of these advancing technologies. The facility would enable us to satisfy our unique requirement to work in a highly secure environment with devices over which continuous physical security control is essential.

The second major part of the Special Process Laboratory Facility will permit us to respond adequately to the additional responsibility which the Deputy Secretary of Defense imposed on NSA in July, 1981. By this action, a center for computer security for the entire Department of Defense was established at NSA. The purpose of this tasking is to enable the DoD to deal with the growing challenges of an information-intensive society and to take advantage of technological developments.

The mission of the Computer Security Center at NSA is to address the urgent requirements pertaining to the security of information in a defense environment becoming more and more computer oriented and computer dependent. In both the Department of Defense and the intelligence sector, an increasing amount of information handled by automatic data processing (ADP) equipment is classified at various levels of sensitivity. The threat to its security ranges from the inadvertent spillage of electronic data to a nonauthorized but cleared recipient all the way to a deliberate penetration of ADP systems.

The need for computer security is not new, nor has it been ignored within DoD. We have reached a technological level where we are now able to safeguard computer information entrusted to computers that was not possible a relatively short time ago.

In response to the tasking of this additional responsibility 20 months ago, NSA has established the Computer Security Center, an organization staffed with Military and Civilian experts who assist the Military Departments and Defense Agencies on the security of computer systems brought into the DoD inventory.

This additional responsibility brings with it the need for facilities to house a new organization with unique requirements. Our existing spaces are dedicated to SIGINT and COMSEC missions and vital support functions. The overcrowding situation that has been in existence for these functions is well documented in previous testimony to this committee in our prior requests for appropriations for the construction of the two new operations buildings. However, the two buildings for which this committee has approved appropriations will only permit NSA to house the SIGINT operational functions anticipated for the immediate future. We will still lack the facilities needed to house the Computer Security Center. Currently the personnel staffing this effort are located in largely unsuitable spaces in leased buildings near Baltimore-Washington International Airport. In order to satisfy the Center's tasking, special laboratory facilities must be established which will be dedicated to computer research labs, computer terminal areas, a tape vault, offices and conference rooms. In all, the Computer Security Center will require 59,000 sq. ft. Because a variety of commercial computers will be continually tested, we envision extensive use of movable partitions and raised flooring for this portion of the facility. Without this facility, our computer security effort will be subjected to continued severe overcrowding and fragmentation of computer resources.

The second project will result in the construction of a permanent overseas facility at a classified location. This project, costing $21,550,000, will greatly enhance our intelligence mission capabilities.

The third project will provide additional facilities at another overseas classsified location for a cost of $25,200,000. This project is in direct support of a very important intelligence effort.

Our final major project is a plant for the treatment of toxic chemicals. Industrial production facilities within the NSA complex are required to use toxic chemicals for the production of microelectronic components, photochemical reproduction and electroplating. Our present waste system does not reduce these effluents to levels which are fully acceptable at the new Ft. Meade advanced waste water treatment plant. We also anticipate increases in the output from our industrial production facilities, so we must take action before we do damage to the Ft. Meade treatment plant. This proposed project will include an isolation and collection facility with intercept lines and pumping stations plus holding tanks which will neutralize and equalize the toxic chemicals to acceptable levels.

Minor Construction Projects, $1,660,000

The remaining items for which we are requesting funds involve improvements to our present facilities at Ft. Meade, Md. These three projects, totalling $1,660,000 cover the following:

Chemical Storage Facility	($420,000)
Mechanical Equipment Vault	($565,000)
Metal Reclamation Building	($675,000)

The Chemical Storage Facility will provide a 5,000 square foot masonry structure for a central storage and dispensing facility. This structure incorporates the latest design in fire suppression, temperature control and explosion-proof electrical systems; therefore it will give us a much safer facility for storing the flammable materials which we must use in our COMSEC operations.

The Mechanical Equipment Vault provides 1500 square feet to house the mechanical and electrical equipment required to support the additional computers we need in our COMSEC building. The present power supply is inadequate to handle the planned electrical load and our present facility cannot accommodate any growth.

Our final project is a Metal Reclamation Building that will be 2000 square feet and will house a high temperature incinerator to be used in destroying large quantities of surplus/obsolete classified printed circuit boards and electronic components. This facility will fill an important gap in our present system for destroying classified materials. We cannot dispose of these components through normal commercial channels because of their classification. We need an in-house capability to destroy these items and that requires a furnace that can generate extremely high temperatures for extended periods. The planned building conforms to applicable EPA standards.

This concludes my presentation; thank you for your time. Are there any questions?

FUTURE MISSION INCREASES

Senator **Mattingly**. I believe the subcommittee has been very supportive of you all in the past.

Mr. **Rich**. Yes, sir.

Senator **Mattingly**. I assume it will keep going in that direction. You received sizable appropriations in fiscal years 1982 and 1983 to increase Fort Meade. I understand your missions will increase and continue to grow.

How does this relate to military construction requirements in the future? You were saying to me you want more money for security reasons.

Mr. **Rich**. The particular building I was talking about is really a technical job that we need to do, that requires special facilities to do it in, of a sort we don't have at the moment. And the buildings you refer to that the Congress has already authorized are for operating space for the population essentially we have had and which is being added to the program by the Congress for this past year and this year.

Those are operational facilities, whereas this would be a technical building in which we would be doing circuit board manufacture, chip design and computer security work, a new mission.

Senator **Mattingly**. You would be chip manufacturing?

Mr. **Rich**. Yes, sir. We would do some, not the majority of what we would require. That would be done by private industry.

Senator **Mattingly**. I would think so.

Mr. **Rich**. Some is so sensitive we feel we need to do it inside our place.

Senator **Mattingly**. Are you going to let Japan do it? [Laughter.]

ELIMINATION OF LEASED SPACE

You had a plan basically that you were going to try to do away with leased space. Is that still moving?

Mr. **Rich**. Our intention, Senator, is still to carry forward with giving up that leased space as soon as we can do it. That will probably be in the later part of the decade, but we are still definitely planning in that direction. It will require the construction of an R&D facility and a school facility. The two main activities now in leased space are those two.

Senator **Mattingly**. Is it your job or that of the agency to try to protect the security of all the computers DOD has?

Mr. **Rich**. Yes, sir; that is the computer security mission of the agency.

Senator **Mattingly**. If I am not mistaken, I think DOD, or I know the Federal Government, owns 50 percent of the computers and some astronomical number that are owned in the world. I do not know which.

Mr. **Rich**. I would think the National Security Agency by itself would account for a high percentage.

Senator **Mattingly**. I spent 20 years and 5 months with IBM, and I wish you were in my territory.

Mr. **Rich**. We do a substantial amount of business with that firm, as I am sure you can imagine.

Senator **Mattingly**. The balance of my questions will be submitted for the record.

I have now found another interesting place I would like to go visit.

Mr. **Rich**. Off the record, Senator, I was about to invite you. We would like that very much.

Senator **Mattingly**. Are you manufacturing chips out there now?

Mr. **Rich**. You could see that; yes. That is being done right now.

Senator **Mattingly**. Very good—great.

PREPARED STATEMENTS

At this point in the record, we will insert the prepared statements of those Defense agencies not appearing at the hearing today.

[The statements follow:]

DEFENSE COMMUNICATIONS AGENCY

PREPARED STATEMENT OF LT. GEN. WILLIAM J. HILSMAN, USA

DIRECTOR

Mr. Chairman, members of the subcommittee, I appreciate the opportunity to discuss with you the Defense Communications Agency Military Construction Program for FY 1984. Our single project is the expansion of the National Military Command Center computer facility in the Pentagon, Washington, D.C. The estimated cost of this project is $1 Million.

The mission of the Defense Communications Agency includes computer support for the National Military Command System (NMCS) and the offices of the Secretary of Defense and the Joint Chiefs of Staff. Our field activity in the Pentagon, Command and Control Technical Center (CCTC), is responsible for ADP support of NMCS day-to-day operations and crisis management and development of the NMCS ADP capabilities.

The Agency requests this project to provide expansion area for an orderly modernization of the existing Worldwide Military Command and Control Information System (WIS) computer equipment which will support the NMCS. Significant modernization or replacement of existing hardware will be required over the next several years in order to maintain logistics supportability, improve reliability, meet new requirements and avoid technical obsolescence. Beginning in FY84, DCA/CCTC must accomplish this hardware upgrade incrementally and concurrent with day-to-day operational support to the National Command Authorities. This project consists of an expansion of 5,200 SF of computer room floor space and relocation of 1,600 SF of support areas within the CCTC control area of the Pentagon.

The CCTC Pentagon ADP facility is the primary site for ADP support of the NMCS and the National Command Authorities. Approval of this project will provide the needed computer room area for continued improvement in the day-to-day, crisis, and development support of the NMCS ADP capabilities.

I would be happy to answer any questions you might have.

DEFENSE INVESTIGATIVE SERVICE

PREPARED STATEMENT OF THOMAS J. O'BRIEN

DIRECTOR

Mr. Chairman and members of the Committee. I am Thomas J. O'Brien, Director of the Defense Investigative Service (DIS). I appreciate the opportunity to appear before you and discuss the $210 thousand request for the DIS "million dollar or less" project at the Personnel Investigations Center, Fort Holabird, Maryland. The Personnel Investigations Center houses 506 personnel involved in the opening, closing and controling the personnel security investigations.

The work to be accomplished by the project is primarily the replacement of existing light fixtures with new fixtures together with related electrical work and the installation of a suspended ceiling where possible throughout the building. The light fixtures are thirty years old and in dire need of replacement. The lowering of the ceiling, where possible, will reduce the heating and cooling loads of the building.

Mr. Chairman, this concludes my prepared statement. I will be happy to attempt to answer any questions you may have.

DEFENSE MAPPING AGENCY

PREPARED STATEMENT OF MAJ. GEN. RICHARD M. WELLS, USA

DIRECTOR

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to present the Defense Mapping Agency's Military Construction Program for Fiscal Year 1984. The program consists of a single project at the DMA Hydrographic/Topographic Center, Brookmont, Maryland which is estimated to cost $1.8 million.

The project is required to conserve energy and to improve overall operation of the air conditioning and heating plant. The work involves extending the existing Energy Monitoring Control System in Erskine Hall to include Roberdeau and Abert Halls and the Ruth, Fremont, and Warren Buildings. Concurrently, other energy conserving improvements of various types will be accomplished in these buildings.

We expect this project to result in an annual energy savings of 84,584 MBTUs and enable us to recoup the cost in less than four years.

I will be glad to respond to your questions.

DEFENSE NUCLEAR AGENCY

PREPARED STATEMENT OF THOMAS P. JEFFERS

DIRECTOR FOR LOGISTICS AND ENGINNERING

Mr. Chairman and Members of the Committee:

I am Thomas P. Jeffers, Director for Logistics and Engineering for the Defense Nuclear Agency. Accompanying me today is Colonel Bobby R. Adcock, Director of the Armed Forces Radiobiology Research Institute.

It is a privilege to testify on behalf of the Defense Nuclear Agency's fiscal year 1984 military construction request. We are requesting authorization and appropriation of $11.5 million for two projects.

The first project, in the amount of $0.6 million, will renovate and upgrade two barracks on Johnston Island, North Pacific Ocean. The plumbing and electrical systems have deteriorated due to the harsh environment at this remote location. This project will install a fire protection system, upgrade bathrooms, and bring the electrical system into compliance with current standards.

The second project, in the amount of $10.9 million, will upgrade the mechanical and electrical systems at the Armed Forces Radiobiology Research Institute, located at the Naval Medical Command, National Capital Region in Bethesda, Maryland. This project is required to enable DNA to meet expanding and changing research requirements.

This project provides long-term solutions and complete correction of an overall ventilation system problem and the improvement of the supply and exhaust system for laboratory fume hoods. To accomplish this upgrade, additional cooling capacity, a new automated temperature control system, improved lighting, a flexible and extended fume hood exhaust system with heat recovery capabilities, and an emergency power system will be provided. The latest energy efficient equipment and an energy management control system will be incorporated into this project. Energy use is expected to be reduced approximately 26%.

In summary, the requested projects are urgently needed for continuance of important defense missions. Authorization and appropriation are requested.

Mr. Chairman, that completes my prepared statement. Colonel Adcock and I will be pleased to answer any questions you may have.

DEFENSE SYSTEMS MANAGEMENT COLLEGE

PREPARED STATEMENT OF T. V. FORBURGER, USA

DEAN OF ADMINISTRATION

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to appear before you today to discuss the FY 1984 Military Construction Project for the Defense Systems Management College. I will tell you a little about the College itself and how the proposed new academic facility fits into the plans for the future.

The Defense Systems Management College was established in 1971 to educate selected officers and civilians of all services in the management of defense weapon systems programs. The College is one of a kind in the Department of Defense and has evolved into an institution which conducts education and applied research on the various functions of weapon system acquisition for approximately 2700 students per year. The principal academic course is a 20-week Program Management Course conducted twice per year. In addition, we conduct 14 other one to four week courses on the many specialized functions of system acquisition management several times during the year. The College plays a significant role in preparing officers and civilians for key weapons systems acquisition management positions throughout the Department of Defense and is universally recognized for its high quality education. Considering the importance of modern weaponry to our National Defense and the billions of dollars we spend on weapons systems acquisition to meet our defense needs, it is absolutely essential that we give our managers the requisite education to ensure we develop and produce affordable and effective weapon systems.

The College is located at Fort Belvoir, Virginia, where we occupy buildings that were originally built in the late 1920's for troop barracks and converted prior to our occupancy. We also have two temporary classrooms and an auditorium converted from a former post theater. Although student study rooms are marginal, the remaining facilities are adequate, but filled to capacity. Because of the thousands of personnel involved in weapons systems acquisition management throughout DOD, the College has steadily increased its student output during the 12 years of operation until we can no longer expand to meet the Services' requirements. The new academic facility for which we are requesting budget authority in FY 84 will permit the College to increase student output and improve the quality of instruction in support of an improved revised curriculum and increasing student requirements.

This completes my brief statement. Mr. Chairman, I am prepared to answer questions.

SUBMITTED QUESTIONS

Senator **Mattingly**. Well, thank you very much. And I would like to thank all of the witnesses we have had today for their testimony in support of the Defense agencies' military construction requests.

Before we recess, I will ask that the submitted questions which you have been asked to answer be inserted in the record at this point.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

SUBMITTED QUESTIONS

Question: Will Fort Meade be able to handle the growth for NSA at or near the present site?

Answer: Yes, the Fort Meade Master Plan fully accommodates the additional construction proposed by NSA under our current Installation Master plan. There is adequate unused Federal property adjacent to the existing NSA Operations/Headquarters Complex to support the new construction we plan through the end of the decade. NSA and Fort Meade have mutually agreed on site proposals and locations. Consolidation at Fort Meade remains our principal facilities goal.

QUESTION: (U) The Subcommittee noted in the past that space at your Fort Meade Headquarters was not being efficiently utilized because of the lack of modular-type furniture which would best suit your analysts needs. Has any progress been made to improve these working conditions?

ANSWER: (U) We think we are making steady progress, although we have not yet installed a significant amount of modular furniture. In December 1982 we obtained GSA clearance to proceed with our concept, within the guidelines of the Federal Property Management Regulation E-76 (Temporary), and have been testing and researching the various commercial products on the market. Our plan is to outfit fully the two new Operations Buildings (2A and 2B), as well as selectively convert existing spaces within the present Operations/Headquarters Complex. Modular furniture will minimize the need for working by shifts and facilitate accommodation of additional personnel-related growth. We have budgeted $6.4 million each in fiscal years 1984 and 1985 to purchase modular furniture.

(U) We believe that our requested funding for modular furniture in FY 1984 is essential in order to design and purchase units in time to relieve critical overcrowding and be in a position to outfit the new Operations Buildings as they are occupied. We wish to let a single contract to design the office layouts and install the modular furniture. Full funding in FY 1984 will ensure sufficient design lead-time and allow us to install a significant amount of units in our existing Operations/Headquarters Complex in FY 1984.

Question: For the National Security Agency, $5,732,000 is requested for 483 family housing leases at classified locations. This is an increase of almost 100 leases over last year. Why is this increase necessary?

Answer: The leases are necessary to maintain our policy of providing government quarters for the major portion of our overseas assignees. In those areas where military housing is available to our civilians, we use it. However, available military housing is becoming the exception rather than the rule.

Several factors drive our leasing program. In some areas, the scarcity of suitable houses in the private sector dictates long-term leasing to ensure an adequate supply of quarters. At other locations, the costs associated with bringing the rental unit up to, or close to, American standards, coupled with the rent and utilities, creates an undue hardship on our personnel. In certain places, our personnel are entitled by law (50 US Code Section 402, as amended) to housing and benefits comparable to other federal employees at those locations.

The increase of 100 units programed for FY 1984 will enable us to continue our on-going acquisition of suitable government housing and at the same time accommodate the modest increases in personnel strengths assigned to our overseas locations.

QUESTIONS SUBMITTED BY SENATOR SASSER

QUESTION: The Defense Intelligence Agency is requesting $9.7 million for 388 leased family housing units - 70 more leases than was approved for the current year. Why is this increase necessary?

ANSWER: DIA is requesting 70 more leases in FY 84 than was approved for FY 83 to support the housing requirements associated with the planned establishment of six Defense Attache Offices in mid-Eastern and African countries, plus personnel augmentations at 11 presently established Defense Attache Offices in accordance with DIA intelligence objectives. A requirement to convert from private leasing to government leasing arrangements at 10 Defense Attache Office locations to alleviate financial hardships associated with private leasing arrangements, or where dependent accompanied personnel are replacing unaccompanied personnel is also required.

QUESTION: The average cost per lease for DIA is $25,000 annually. The average cost per lease for NSA is $12,000 annually. These costs appear to be very high even for foreign countries. Please provide an explanation for these large average lease costs. Also, why is the average cost per lease for DIA more than twice the average cost for NSA?

ANSWER: Leasing costs in foreign countries are very expensive. The DIA quarters leasing program is for the quarters requirements of the Defense Attache System. The Defense Attache System quarters requirements are associated with small groups of military members located at over 90 U.S. embassies in capital cities worldwide. The reasons why the Defense Attache System leasing program is expensive are almost as diverse as the housing environment where the leased quarters are located. The unique mission of the Defense Attache System also heavily impacts on its housing costs.

The preponderance of DIA leases are for property located in Mid-Eastern, Central Asian and African countries. There is a continuing severe shortage of housing acceptable by western standards in these countries. The competition for the available housing is more often than not incredible. Foreign landlords are as astute, or more so, as U.S. landlords, they recognize that they have a scarce commodity and exploit the situation to the fullest. For example, the annual rental for a modest three-bedroom set of quarters for occupancy by a non-commissioned officer in Lagos, Nigeria is $77,940. This rental is at the low end of the spectrum from the standpoint of rental costs paid by other U.S. agencies located in Lagos to provide quarters for personnel of comparable grade. Quarters for senior officers of the Embassy can exceed rentals of $100,000 annually. We recently opened a Defense Attache Office in Brazzaville, Congo, staffed by a Navy Commander and an Army Warrant Officer. The least rental cost the Embassy could negotiate for two sets of quarters was $47,088 annually paid 12 months in advance. Utility costs are estimated at $12,000 to $14,000 annually and utility hook-up cost is estimated at $2,000. There will undoubtedly be additional get-ready costs. The U.S. Ambassador personally inspected and approved the quarters. In Hong Kong, while costs have abated somewhat, annual rental for senior officer apartments was recently in the $70,000 annual price range. In countries such as Algeria, Saudi Arabia, Oman, Yemen rental costs are in the $40,000 to $50,000 annual price range. Utility costs in some countries exceed the rental costs.

A landlord in Syria who leases an apartment to a Western Embassy is taxed 49.5% of the rent by the Syrian Government. This expense is added to the normal rent. The tax is in addition to the costs associated with an artificial exchange rate with which the rent must be paid. The artificial exchange rate situation also applies in many other countries, for example, Czechoslovakia, Poland, Bulgaria, Hungary, and Ghana. In Poland rent must be paid to both the Government and the property owner. In some countries the host govenment determines what property can be leased, for example, Czechoslovakia and Bulgaria.

While inflation has abated in the U.S., the same situation does not necessarily apply to housing costs at overseas locations. In Somalia the electricity rate increased by 100% in November 1982, the average annual utility cost per set of quarters is $16,000. A recent news article in Brazilian newspapers stated the Brazilian National Treasury will allow landlords to increase rents by 100%. Inflation increased 31% in Argentina during the first two months of 1983.

As a result of the Iran hostage situation; the burning of our Embassy in Pakistan, including the murder of a U.S. military member; the attack on our embassy in Libya; and the murder of our assistant military attache in Paris, security considerations are playing an increasing role in our leasing costs. Defense Attache Offices are under the cognizance of U.S. Ambassadors. Ambassadors have a mandate from the President to take the actions they consider necessary to ensure the safety of U.S. personnel at embassies. Accordingly, the location of our leased housing is often dictated by the embassy security officer who must concur with each lease proposal from the standpoint of security. Often the quarters must have security improvements which add to leasing costs. In some locations 24-hour guards for individual quarters are required. At other locations the embassy has a roving security patrol to ensure protection of residences occupied by embassy personnel. We are required to pay our proportionate share of the cost of these patrols. Our Defense Attache Office in Ivory Coast recently reported standard equipment in terms of security of quarters consisted of a night security guard, metal grills to enclose windows, doors and air conditioners plus security lights.

In addition to housing costs attributable to worldwide deployment, the unique mission of the Defense Attache System contributes to DIA leasing costs. The Defense Attache System personnel staffing pattern by, virture of its mission, is necessarily weighted to senior and field grade officers. 51% of military personnel in the Defense Attache System are diplomatically accredited military attaches. The degree to which these attaches successfully perform their assigned mission is directly related to personal contacts. Accordingly, all attaches are required to attend and host social functions. Experience has proven that, in most instances, the attache's home is the most effective and economical place to host these functions. The senior attaches of each Service are key members and advisers on the Ambassador's staff, entailing representational responsibilities and the attendant social functions hosted in their homes. Accordingly, our attaches require quarters that will facilitate fulfilling their assigned mission.

It was the "Sense of Congress" that the Office of Foreign Buildings Operations, Department of State should have single real property manager responsibility for all military activities overseas not under the cognizance of military commanders. Under the foregoing concept the Embassy Administrative Officer is the key individual from the standpoint of quarters selected to lease for occupancy by Defense Attache System personnel, including negotiating and accomplishing lease contracts. Also, each Embassy has a Housing Board. Board membership consists of a representative of each agency at post. The Housing Board must approve each quarters lease proposal. Subsequent to the foregoing, each lease proposal for members of the Defense Attache System is individually reviewed for approval/disapproval at the DIA Washington level before the Embassy Administrative Officer is authorized to sign the lease contract.

To ensure that acceptable housing practices and standards are maintained, the leased quarters occupied by members of the Defense Attache System are the subject of inspection during periodic DIA staff officer visits and also during regularly scheduled visits by DIA Inspector General Teams.

In summary, members of the Defense Attache System have a unique and demanding worldwide mission. We believe, and hope the Committee will agree, that regardless of where they are located, we have an obligation to provide these military members safe, decent housing suitable to accomplishment of their assigned mission and reasonably comparable to housing provided by other U.S. Agencies for their personnel of comparable grade and responsibilities at the same locations. We therefore strongly urge the Committee to provide full support for our FY 84 family housing budget request so that we can meet this obligation.

The average lease cost for DIA is more expensive than that of NSA, as explained above, because of our deployment and mission. The cost of our leases and the cost of NSA leases are comparable at those locations where our military members may be co-located.

QUESTION: NSA has requested $151,000 for furnishings for family housing. This is an average cost of $1,348 per unit. DIA is requesting $1,731,000 for furnishings for an average cost of $3,414 per unit. Why does DIA need twice as much as NSA per unit?

ANSWER: DIA requires an average cost of $3,414 per quarters furnishings unit for FY 84 because of the location of the units now in place and the cost attributable to the locations where we plan to place new units.

Our quarters furnishings units are mostly located at Defense Attache Offices located in Mid-Eastern, Central Asian and African countries. Most of the new furnishings and replacement furnishings to be procured in FY 84 are destined for quarters in the same general geographic areas.

The cost of providing and maintaining furnishings in these areas is expensive. For example, we recently established a new Defense Attache Office at Brazzaville, Congo staffed by two military members. The purchase cost for two sets of furniture was $22,000. The embassy estimates transportation costs at $32,000. The cost of appliances plus transportation was $15,000 (washer, dryer, kitchen ranges, refrigerator, food freezer and air conditioners). The electricity and water situation is undependable, in accord with embassy policy, this required an expenditure of approximately $22,000 for electricity generators and water pumps.

The climate at many Defense Attache locations requires the air conditioning units to operate on a 24-hour basis causing a high repair and replacement rate. Parts and repair services are often not availablle. Humidifiers are required at some locations, e.g., Monrovia, Liberia. The electrical current at many locations is erratic, i.e., low at times, surging at other times. This takes its toll from the standpoint of appliance wear-out time. Prevailing dust storms in locations such as Sanaa, Yemen raises havoc with furnishings upholstery creating a requirement for replacement or re-upholstery frequently.

All of the above factors contribute to our quarters furnishings costs. However, we hope the Committee, as we do, shares the views expressed by the senior officer of our three member Defense Attache Office at Khartoum, Sudan in his response to our inquiry about the cost of housing at Khartoum:

"1. Khartoum is a high cost lease area primarily because of the instability of the Sudanese economy and the rapid influx of new projects and foreign companies to the Sudan. Sudanese families tend to be larger than U.S. families and most housing built to foreign standards is built to eventually satisfy the Sudanese requirements. Hence, square footage tends to be larger and more than adequate for U.S. officials. Unfortunately, the only alternative is completely inadequate, sub-standard housing in outlying areas of Khartoum where electricity and water are still a luxury.

2. Housing in Khartoum is improving daily due to the concerted efforts of the administrative support facility of the Embassy. However, day to day living is at best a challenge and housing is perhaps the single most important morale factor in the community. Khartoum is an environment where for eight months of the year temperatures average 95-105 degrees and summer months go to 125. With the limited to non-existant recreational facilities for children and adults, housing must be able to provide an "oasis in the dessert". A bit of green to break the monotonous sand, plus recreational space to enable famililtes to create their own entertainment activities, are an absolute necessity to life in Khartoum."

From the standpoint of DIA quarters furnishings costs in relation to those of NSA, DIA costs are comparable at those locations where our personnel may be co-located.

Utility Costs

QUESTION: For Family Housing, how are the estimates for utilities calcuiated? Do all branches use the same rate assumptions to estimate projected costs?

ANSWER: The utility estimates are arrived at by using the latest available actual utility costs as a base. From this base, personnel costs are subtracted to arrive at the cost of purchased utilities which is escalated using utility inflation indicies. These indicies were 15%, 6.1% and 5.5% for the years FY 81 to FY 82, FY 82 to FY 83 and FY 83 to FY 84, respectively. The cost of providing utilities for the units added to the inventory since the baseline year, and the personnel costs are then added to the escalated actual utility costs to arrive at the maximum allowable estimate.

Each Component is required to be within this maximum, however, the Components may estimate less to reflect energy consumption initiatives, etc.

Defense Agency Funding

Senator Sasser: What level of funding is programmed for each Defense Agency for each of the next five fiscal years?

Answer: It must be understood, sir, that the Department's future years projection of requirements is an in-house working and planning document. Its details are not locked in concrete, nor do they represent final determinations of either the Secretary of Defense or the President. It is, and must be, subject to continuous review and change to keep it abreast of changing military requirements and the external threat. For these and other reasons, details of this in-house document are not released outside the Department of Defense.

SUBCOMMITTEE RECESS

Senator MATTINGLY. There will be no further business this afternoon, so we will stand recessed until tomorrow, March 15, at 8 a.m., when we will hear testimony on the military construction budget for the Guard and Reserve components. With that, we are adjourned.

[Whereupon, at 2:45 p.m., Monday, March 14, the subcommittee was recessed, to reconvene at 8 a.m., Tuesday, March 15.]

MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1984

TUESDAY, MARCH 15, 1983

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 8:05 a.m. in room SD-116, Dirksen Senate Office Building, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

DEPARTMENT OF DEFENSE

NATIONAL GUARD AND RESERVE UNITS

ARMY NATIONAL GUARD

STATEMENT OF MAJ. GEN HERBERT R. TEMPLE, JR., USA, DIRECTOR, ARMY NATIONAL GUARD

ACCOMPANIED BY: FRED ARON, CHIEF, ARMY INSTALLATIONS DIVISION, NATIONAL GUARD BUREAU

BUDGET REQUEST

Senator MATTINGLY. The subcommittee will come to order.

This morning, the subcommittee will hear testimony from the Guard and Reserve components on their military construction budget request for fiscal year 1984.

As we are all aware, the Guard and Reserve units located throughout the United States and its territories are vital to the total force concept of our Army, Navy, Marines, and Air Force.

This year the subcommittee will consider a total military construction budget for the Guard and Reserve components in the amount of $254 million

I would like to welcome our witnesses this morning. We will begin with the Army National Guard, represented by the Director, General Temple, and from the Army Reserve, General Berkman.

Following the Army Guard and Reserve we will hear Admiral Roop, Deputy Director of the Naval Reserve and, to complete our testimony, the Deputy Director of the Air National Guard, General Chambers and his colleague from the Air Force Reserve, General Wahleithner.

Let me state for the record that questions asked today will most likely be followed by further questions for the record as we contine with the budget review process.

Each of you has submitted a statement and they will be entered into the record. You may either read these statements or present the subcommittee with an overview of your needs.

I think I can speak for all my colleagues that the Guard and Reserve components are always given fair treatment by this subcommittee. You can be assured that this will continue, and as chairman I look forward to working with you gentlemen.

With that, let us begin with the Army Guard and Reserve. General Temple?

STATEMENT OF GENERAL TEMPLE

General TEMPLE. Mr. Chairman, let me begin by introducing the gentleman sitting to my right, Mr. Fred Aron, who is the Chief of the Army Installations Division of the National Guard Bureau.

It is a pleasure to appear before this committee to present the Army National Guard's military construction program for fiscal year 1984 and to request the necessary appropriations to satisfy these needs.

As part of the total Army, the Army National Guard is a key element in the defense of the United States. The citizen-soldier of the Army National Guard willingly provides his time and effort to be ready should mobilization come. He must have training, equipment, and leadership necessary to help prepare him for whatever the mission may be. The resources provided to the Army National Guard are applied to this end.

For our program to acquire the needed facilities to support the missions of the Army Guard, we are requesting appropriations for fiscal year 1984 of $55,300,000. These funds, within the constraints of the program guidance, will be used to provide for those facilities assessed to make the greatest contribution to readiness and which are essential for proper develpment, training, operation, support, and maintenance of the Army National Guard to meet premobilization requirements.

REPLACEMENT AND MODERNIZATION PROGRAM

Special attention has been given for the replacement or modernization of equipment maintenance shops and supply facilities wherein quality improvements to the working condition can lead to more effective and efficient operations.

This program, as submitted, will support the mission requirements in 22 States and in Puerto Rico with the construction of 40 projects. That is 25 armories and 15 nonarmory facilities. The nonarmory facilities include two aviation facilities, six vehicle maintenance facilities, four training site facilities, one logistical support facility, and two U.S. property and fiscal office projects. This planned distribution of construction activities allocates $22 million for armory projects and $22.5 million for the nonarmory projects.

CONSTRUCTION REQUIREMENTS BACKLOG

The backlog of construction requirements is still a rather significant factor to our program, considering the annual rate of replacement of obsolete facilities or upgrading as many inadequate facilities as possible with the available resources.

Last year at these hearings, the identified backlog had the projected cost value of $800 million. The increases to both our fiscal year 1982 and 1983 program requests totaling almost $32 million provided the necessary resources to contain the growth in this backlog. The projection of the backlog by the end of the fiscal year is placed at $813 million and rising to $825 million by the end of fiscal year 1984 before downturning in the outyears based on our budget guidance and cost adjusted, using the Department of Defense inflation indices developed for military construction activities.

TOTAL OBLIGATION TARGET

Our projected fiscal year 1983 total obligation target is $74.4 million based on the fiscal year 1983 appropriation and carryover funds from prior years. We expect to reach this target leaving us with a carryover of $15.4 million into fiscal year 1984, barring any unforeseen delays in construction awards because of nonavailability of necessary matching State resources or other reasons.

In addition to the $44.5 million requested for the major construction activities, our budget request will provide $7.6 million for minor construction and $3.2 million for planning and design efforts.

In addition to the normal types of construction projects costing less than $200,000, a major part of the $7.6 million requested this year for minor construction is intended for upgrading the most critical facilities at our local training sites and storage facilities for holding and safeguarding the supplies and equipment needed to support our mobilization missions.

Your support to secure the necessary appropriations to execute the program as submitted will greatly assist in achieving our mobilization objectives.

RESTRICTIONS ON REPROGRAMING

I would like to add an addendum, if I might, to my reading text. We would like to request the committee to reconsider a restriction imposed by the House Appropriations committee letter of February 1982 on the reprograming of projects.

The letter established the policy that the cost of a project that has been reprogramed cannot be increased above that amount for which we programed unless another reprograming request is approved.

The project cost is only an estimate and theoretically the bid price should be either more or less than the estimated amount approximately 50 percent of the time. Therefore, we would need to again request a second reprograming action for approximately one-half of the projects.

Our only practical recourse is to inflate the programing estimate. We believe that the services should be authorized to fund a reprogramed project at either a cost not to exceed 25 percent over the reprogramed amount, or 200 percent of the amount specified by law as the maximum amount for minor military construction projects, whichever is less.

The codification bill authorized increases in project cost of 25 percent of the authorized amount or 200 percent of the maximum limit for minor construction, whichever is less, before requiring reprograming. It seems that we should use this same percentage to control reprogramed projects.

Mr. Chairman, this concludes my prepared statement. Thank you.

Senator **MATTINGLY**. Thank you.

You added that addendum there. You say it was in the House version or is not?

General **TEMPLE**. We were constrained by a letter from the House Appropriations Committee in 1982.

Senator **MATTINGLY**. From reprograming. Nothing happened in fiscal year 1983, nobody brought it up at that time?

Mr. **ARON**. It was discussed by the officials from the Defense Department but nothing happened.

Senator **MATTINGLY**. The codification of the bill takes precedent over anything like that, though.

Mr. **ARON**. If we had a project in the program submitted to Congress for $1 million, of course we can award that for $1 million plus 25 percent or 200 percent of the minor construction limitation, which is $400,000.

However, to introduce a new project or when an authorized project goes over that 25 percent, we have to reprogram. If we submit a project for reprograming at $1.5 million and it comes in at $1.5 million and one dollar, we cannot award that project.

REPROGRAMING—COST DETERMINATION

Senator **MATTINGLY**. Let me ask you this question—I know I may be naive in this respect—I mean, if you are going to have a reprograming you probably ought to know pretty much what your costs are going to be for that project.

Mr. **ARON**. If it is a new project, sir, it is still a cost estimate, just like any other project. Of course, if you have gone out to bid and it has gone over your 25 percent then you have at least a bid price that you can come in with, that is a firm price. But if it is a new project, it is still a cost estimate.

Senator **MATTINGLY**. I do not know the answer to the question. Are they for new projects? I would not think so, I would think it would be just to kind of fill out projects a lot of times.

Mr. **ARON**. Last year, for example, we had $9.7 million of savings. So, new projects were introduced for that amount.

Senator **MATTINGLY**. But I am talking about reprograming. I appreciate your comments on that.

General Temple, you made reference to constraints of the program guidance in referring to your request for military construction in fiscal year 1984. What kinds of constraints are you placed under in this regard?

General **TEMPLE**. Principally resource constraints.

Senator **MATTINGLY**. Do you mean money?

General **TEMPLE**. Yes.

Senator **Mattingly**. Let me pursue that further, then. The Federal or State?

STATE MATCHING FUNDS

General **Temple**. The State governments many times have difficulty in generating their matching funds to meet the Federal requirement of 25 percent for armory construction as required by section 2236, title 10 of the United States Code.

Of course, within the Department of Defense there are resource constraints placed upon the National Guard in consonance with the total Department of Defense program, most of the time resource constraints.

Senator **Mattingly**. Are the State government percentages the same, or do they vary from State to State?

General **Temple**. No, they are the same.

Senator **Mattingly**. Twenty-five percent?

General **Temple**. Twenty-five percent.

Senator **Mattingly**. Is that where you greatest lack of resources comes from at this time?

General **Temple**. It has an effect on permitting us to process the programs that they like because they have to acquire the land and then come up with the legislature's action to provide the dollars.

STATE PARTICIPATION LIST

Senator **Mattingly**. Could you provide for this committee a list of the States and what their participation is, by percentage?

General **Temple**. Sure.

Senator **Mattingly**. You know, the ones that are not participating 25 percent.

General **Temple**. All of them participate by law in that program. Some are having more difficulty than others. As a matter of fact, many of those along the northern tier of our country where the maintenance costs of the armories have risen so much as a result of the impact of energy programs within that State, some States have even considered the closing of armories.

[The information follows:]

STATES PROVIDING MATCHING CONSTRUCTION FUNDS

The respective State matching funds for armory construction on State-owned or acquired land are required by provisions of section 2236, title 10 of the U.S. Code to be not less than 25 percent of the authorized facilities cost. This cost does not include the cost of the site. Specific locations of all armory construction requested for the fiscal 84 military construction, Army National Guard program and percentage of State matching construction funds are as follows:

State	Location	Project	State funds at 25 percent of total
AL	Birmingham	Armed Forces Reserve Center	Yes.
AL	Cullman	Armed Forces Reserve Center	Yes.
CA	Fresno	200-person armory	Yes.
GA	Waycross	AFRC expansion	Yes.
HI	Wheeler AFB	Armory space at AASF	Yes.
IN	Noblesville	60-person armory	Yes.
IN	Salem	100-person armory	Yes.
MA	Taunton	200-person armory	Yes.

State	Location	Project	State funds at 25 percent of total
MN	Bloomington	200-person armory	Yes.
MS	Clinton	60-person armory	Yes.
MO	Lebanon	60-person armory	Yes.
MO	Kennett	60-person armory	Yes.
MO	St. Joseph	100-person armory	Yes.
NJ	Woodbury	Armory addition	Yes.
NY	Latham	400-person armory	Exceeds.[1]
NC	Parkton	60-person armory	Yes.
OK	El Reno	60-person armory	Yes.
RI	Middletown	100-person armory	Yes.
SC	Darlington	100-person armory	Yes.
SC	Timmonsville	100-person armory	Yes.
TN	Dayton	60-person armory	Yes.
TN	Murfreesboro	100-person armory	Yes.
TN	Waynesboro	60-person armory	Yes.
TX	San Antonio	Armory addition	Yes.
VA	Gate City	Armory addition	Yes.

[1] State of New York plans to add space to armory in excess of authorized space. Additional space will be 100-percent State funded.

ARMY GUARD AND STATE FUNDS ON INDIVIDUAL PROJECTS?

Senator **Mattingly**. How are the Army Guard funds and State funds determined on individual projects?

General **Temple**. Let me see if I understand the question.

Senator **Mattingly**. They get a priority list I assume, do they not?

General **Temple**. They come to us with the programs that they desire. We then structure our programs based on an annual allocation, given the number of dollars and how far they have taken the architectural and engineering designs and so forth, to meet the requirement.

Mr. **Aron**. The Congress desires 35 percent of the design before submitting it.

Senator **Mattingly**. Are the State funds and Federal funds of participation even on all those projects?

Mr. **Aron**. On armory projects, by law, the State must provide the land and 25 percent of the construction funds, whereas nonarmory projects are 100 percent federally funded.

STATUS OF BUFFALO ARMORY

Senator **Mattingly**. What is the status of the armory that burned in Buffalo last year?

General **Temple**. It has completed phase 1. I do not recall the dollar amount.

Mr. **Aron**. The Congress added to the O&M appropriation $3.9 million. This project was just approved about 2 weeks ago by the Secretary of the Army and the State is proceeding with phase 1. Last night, I received a 1391 for phase 2 and that is for $1.5 million.

NEED FOR TRAINING AREAS

Senator **Mattingly**. What is the greatest need in the facilities?

General **Temple**. In my view it is close-in training areas, the ability to utilize all of our available time for the soldier to train. In many cases he must get on trucks or buses and travel a long distance during the very limited training time we have available, in order to find a place where he can exercise his tactics or fire his weapons.

That is why we are endeavoring to put more emphasis in providing for close-in training areas, particularly for the combat arms units which have relatively few places close to major urban areas where they can exercise their weapons and their systems.

Senator **Mattingly**. You mean to go some place other than a military installation?

General **Temple**. Many times because of the location of the armory, they must travel to the closest military installation whereas by some minor construction we can develop miniranges and so forth close to their facilities.

Senator **Mattingly**. What are the maximum miles that anybody has to travel to go to a military installation?

General **Temple**. To give you an example of my State of California, my units were located in Los Angeles County. It was a 3-hour ride to Fort Irwin many times, where we could fire our weapons. In other instances it was 4 hours to Camp Roberts.

Senator **Mattingly**. Is that a great inconvenience?

General **Temple**. Yes; particularly if you had only a weekend to train. You find out that a considerable amount of your time is on the road just traveling to the training facility. We are now using miniaturization—subcaliber devices—of our weapons systems. So, if we could build close-in areas we might achieve the same amount of training in a relatively shorter period of time.

Mr. **Aron**. Sir, could I expand on that constraint question that you asked? Of course the DOD budget and the DA budget constrain our request. During the fiscal year 1983 budget cycle we were able to get $8.3 million added on for a local training site upgrade program.

We had identified many more projects than $8.3 million but we were able to have that added. That took our minor construction to $15.1 million but Congress cut the minor construction down to $8 million. They cut out $7.1 million because they considered the minor construction request too large a percentage of the total appropriation.

Of course, what that did essentially was to cut our local training site upgrade program out. And yet, this is a high priority in minor construction.

CONSTRUCTION BACKLOG

Senator **Mattingly**. What is causing the backlog to grow?

General **Temple**. In construction backlog? Essentially available resources.

Senator **Mattingly**. Money again, right?

General **Temple**. Yes, sir.

Senator **Mattingly**. And that is primarily from the Federal Government?

General **Temple**. Yes, sir.

Senator **Mattingly**. Has it increased in the last couple of years?

General **Temple**. I think it has been right around $800 million for the last year. Now it is up to $825 million by the end of 1984, if I recall.

Mr. **Aron**. Ten years ago it was $300 million. Of course for quite a few years, pretty near 10 years, the cost escalation was 8 to 10 percent and we were getting less appropriation than the cost escalation, plus the addition of new requirements each year.

OBLIGATION RATES

Senator **Mattingly**. Yes; you state dollar figures concerning obligation rates in your statement. Can you tell the subcommittee what percentage of your fiscal year 1982 program was put under contract during that fiscal year?

Mr. **Aron**. We obligated 54 percent of the funds in fiscal year 1982.

Senator **Mattingly**. How about 1983?

Mr. **Aron**. In 1983, we have obligated only 9 percent at this point in time.

Senator **Mattingly**. Really, what we need to know is the number of projects.

General **Temple**. That have been awarded?

Senator **Mattingly**. If you do not have it available you can submit it for the record.

Mr. **Aron**. We have bids submitted for 10 prior-year projects and 4 fiscal year 1983 projects. We are talking about $7 million so far this year; 6 prior-year and 1 fiscal year 1983 projects have actually been awarded.

Senator **Mattingly**. May I ask you this, in fiscal year 1983 are your bids coming in under your estimates?

Mr. **Aron**. Still at about 80 percent, the same as last year.

Senator **Mattingly**. Eighty percent?

Mr. **Aron**. Yes, sir.

Senator **Mattingly**. I hope you can do it again next year.

General **Temple**. A good time to buy armories; is it not?

Senator **Mattingly**. Yes; and buy you a fast bus to get to those ranges.

All right, the rest of the questions we will submit for the record and then you can respond that way. I appreciate your coming.

General **Temple**. Thank you.

Senator **Mattingly**. General Berkman?

ARMY RESERVE

STATEMENT OF MAJ. GEN. WILLIAM R. BERKMAN, USA, CHIEF, ARMY RESERVE

ACCOMPANIED BY COL. JOHN B. ROSAMOND, CHIEF, CONSTRUCTION MANAGEMENT, OFFICE CHIEF ARMY RESERVE

STATEMENT OF GENERAL BERKMAN

General **BERKMAN**. Mr. Chairman, members of the committee, with me today is Col. John Rosamond, Chief of the Construction Management Office of our agency.

I welcome this opportunity to present the Military Construction Army Reserve Appropriation budget request. On behalf of all members of the Army Reserve I also want to express appreciation for the support that this committee has provided our construction program over the years.

The Army Reserves is an essential part of the total Army. Over 245,000 reservists are members of troop program units. Our total Army is a balanced force consisting of forces for combat, combat support, and combat service support in order that the Army can fight, maintain, and sustain itself.

Army Reserve units constitute 32 percent of the Army's tactical support increment, 26 percent of the general support increment, and 15 percent of the Army's nondivisional and special theater force increment. The Army requires that the Army Reserve units be capable of performing their war-time missions.

To get some indication of the relation of the Army Reserve as part of the total Army, approximately 20 percent of the deployable Army Reserve units would be committed within 30 days of mobilization; 64 percent would be deployed between 30 and 60 days, and practically all would deploy within 90 days of mobilization.

UNIT READINESS

Consequently, unit readiness is important. That readiness equation includes personnel, equipment, and training. Training is one of the most important responsibilities and, with the exception of the 2 weeks annual training, most of the training during the year takes place at local facilities, Reserve centers, maintenance facilities, and training sites. There are approximately 1,042 Army Reserve centers and 253 maintenance facilities currently.

The requirements are significant. The Army Reserve construction backlog has been growing and the current projected backlog, compared to requirements at the beginning of fiscal year 1984, is approximately $1.085 billion.

CONSTRUCTION PROGRAM

The construction program for fiscal year 1982 and prior programs is progressing well. There is only one project in our original budget request for that year that has not been executed and we are making progress on that.

With respect to the 16 fiscal year 1983 projects, we expect to award all but one project by the end of March. As the committee is aware, there are savings that have accrued to the program during the execution of the fiscal year 1982 and 1983 programs.

Two reprograming requests have been or are being forwarded to the committee to make use of these savings, and all of the projects we feel can be executed during this fiscal year. We, of course, request the support of the committee for the reprograming request, now on its way to you.

BUDGET REQUEST

The appropriation requested for fiscal year 1984 is $52.7 million. This is $10.9 million more than that appropriated by Congress for fiscal year 1983. The request will provide $40.2 million for major construction; $4.6 million for minor construction, and $7.9 million for planning and design work. We are proposing construction of 18 major projects in 15 States.

SPECIFIC PROJECTS

Specific projects are 6 new Reserve centers, 1 maintenance facility, and the expansion or alteration of 11 existing centers. Three of these projects are being constructed jointly with the Army National Guard and two of them are with the Navy and Marine Corps Reserves.

We also unilaterally are adding on to two National Guard armories to meet the requirements of the Army Reserve units that train in those facilities.

The design of all of these projects is more than 35-percent complete and we envision no difficulty in their award during fiscal year 1984. The request for planning and design funds will provide for an increased effort in the design of projects in the backlog that are to be addressed in future appropriation requests.

Mr. Chairman, that concludes my statement and I am prepared to respond to your questions.

[The prepared statement of Maj. Gen. William R. Berkman follows:]

PREPARED STATEMENT OF MAJ. GEN. WILLIAM R. BERKMAN

CHIEF, ARMY RESERVE

DEPARTMENT OF THE ARMY

Mr. Chairman and Members of the Committee:

I welcome this opportunity to present the Military Construction, Army Reserve Appropriation budget request. On behalf of all members of the Army Reserve, I also want to express appreciation for the support this committee has provided our construction program.

INTRODUCTION

The Army Reserve is an essential part of the Total Army. The Army Reserve currently consists of over 476,000 men and women. Members of Army Reserve troop program units number over 256,000. In addition, there are approximately 219,000 members in the Individual Ready Reserve (IRR) not assigned in troop program units.

Army Reserve units are primarily combat support, combat service support and general support. They also include significant combat forces. The Army Reserve troop program unit structure is not a mirror image of the Active Army. Its structure is required to ensure the balanced Total Army our country requires -- a Total Army capable of performing its missions.

Service in the reserve components is a cherished and honored part of the American citizen-soldier tradition. This year, 1983, we celebrate the 75th anniversary of the Army Reserve as a federal reserve force. The men and women of the Army Reserve who spend their weekends at scheduled drills, attend Annual Training and freely give additional time are striving hard to achieve readiness goals. The full dimension of their contributions includes time away from their families, their friends, businesses, and recreational opportunities. By their service they contribute to our national security.

CURRENT STATUS: Training continues to be a most important responsibility of Army Reserve commanders at all levels. With the exception of two weeks annual active duty, this training generally takes place at the individual's home facility--the Reserve Center. Due to the decentralized nature of the Reserve Components, our construction requirements differ from those of the Active forces. We require a larger number of much smaller and more specialized facilities located in the civilian community in which our members live. There are 1,042 Army Reserve Centers and 253 Maintenance Facilities, owned or leased for the Army Reserve. In addition to providing a base for training and equipment maintenance, these centers contribute to our ability to attract and retain reservists. Only 45 percent of the existing facilities are considered adequate. There are long range military construction plans that provide for replacement of inadequate facilities, expansion of existing facilities to meet space requirements and replacement with Government-owned facilities of those leased or donated buildings which are either inefficient to maintain or are not adequate to meet needs.

Backlog: The reported backlog for FY 82 was $848 million. The projected FY 1983 backlog to replace obsolete or deteriorated facilities was reported at $938 million. Today the projected backlog for the beginning of FY 1984 is $1,085 million. The increase in the value of total backlog is attributed to a better definition of requirements for specific projects. This includes all projects in the funded portion of the five-year plan plus that part of the backlog which meets the construction criteria of mission and strength.

Progress on Prior Year Program: The construction program of fiscal year 1982 and prior programs is progressing well. The only project of those included in our original budget requests that has not been executed is the Armed Forces Reserve Center in South Charleston, West Virginia. The Army has identified a viable site and the state of West Virginia is in the process of obtaining title to this land to permit the land exchange that was previously authorized in the fiscal year 1982-83 MILCON Acts. It is likely that construction of this project will commence during fiscal year 1984.

With regard to the 16 fiscal year 1983 projects, we expect to award all but one project by the end of March. As of 1 March 1983, there were eleven awards, one additional bid was opened and four projects are in the final stages of negotiated award with minority small businesses.

As the committee is aware, there were savings that have accrued to the program during the execution of the FY 1982 and 1983 programs. Two reprogramming requests have been forwarded to this committee to make use of these savings. All of these projects can be executed during this fiscal year.

MILITARY CONSTRUCTION APPROPRIATION AND AUTHORIZATION

FY 1984 Request: The appropriation requested for Fiscal Year 1984 is $52.7 million. This is $10.9 milion more than that appropriated by Congress for Fiscal Year 1983. The request will provide $40.2 million for Major Construction, $4.6 million for Minor Construction and $7.9 million for planning and design work.

We are proposing the construction of 18 major projects in 15 states. Specific projects are: six new Reserve Centers, one maintenance facility, and the expansion or alteration of eleven existing centers. Three of these projects are being constructed jointly with the Army National Guard and two of them are with the Navy and Marine Corps Reserve. We are also unilaterally adding onto two National Guard armories. These were selected and ranked based on need, the mission of the unit, mobilization schedules, and the general contribution to the readiness of the Army Reserve. The design of all these projects is beyond the 35 percent level and we envision no difficulty in their award during FY 1984.

The request for planning and design funds will provide for an increased effort in the design of projects in the backlog that are to be addressed in future authorization requests.

CONCLUSION

Mr. Chairman, this concludes my statement. The committee's continuing interest and support in satisfying the construction requirements of the Army Reserve is greatly appreciated.

CONSTRUCTION BACKLOG

Senator **Mattingly**. You have a tremendous backlog and I know that is a concern of yours. Do you have any plans on how to reduce that?

General **Berkman**. Other than the yearly appropriations, we do have a 5-year plan with respect to prioritizing the projects in order, ultimately, to address that backlog. We are proceeding on that plan to apply resources to the backlog when the resources become available.

Colonel **Rosamond**. Mr. Chairman, the 5-year projection is ramped upward in DOD proposals at this time. That will, we hope, turn the backlog down.

Senator **Mattingly**. What is the growth in the outyears. Do you have any projections at this time?

Colonel **Rosamond**. In the terms of backlog, Mr. Chairman, or in terms of dollars?

Senator **Mattingly**. In dollars.

Colonel **Rosamond**. Sir, we are going from approximately $52 million to hopefully $85 million in fiscal year 1985, which is a significant growth

WEAPON SYSTEMS IMPROVEMENT

Senator **Mattingly**. Is there a conscious effort being made to improve the weapon systems for facilities?

General **Berkman**. The facilities in order to fire weapons, ranges?

Senator **Mattingly**. I think just in procurement of weapons for your units, the priorities.

General **Berkman**. Equipment remains one of the concerns, one of the readiness equations, and weapons and equipment of course is very important and is being addressed by the Army.

With respect to the facilities, it is important—just as with the National Guard—that the facilities are such that the necessary training can take place either on ranges or with simulation devices, or miniature devices in order to accomplish that kind of weapons training.

Senator **Mattingly**. What is the greatest need, then, with regard to facilities, training?

General **Berkman**. It is Reserve centers and maintenance facilities where the training can takes place during the inactive-duty training during the year. As I mentioned, other than for the annual 2-week training period during the year, most of the training takes place on weekends at the Reserve centers or in facilities that are near the Reserve centers.

Senator **Mattingly**. The Congress and the committee are on record in supporting your facilities.

General **Berkman**. Yes, sir. That is appreciated, Mr. Chairman.

JOINT-USE FACILITIES

Senator **Mattingly**. I noted in your statement that 3 of your 18 projects requested in this budget are joint-use facilities.

When you make a decision for facilities, is a study done to determine if other Guard or Reserve facilities nearby can be utilized?

General **Berkman**. Yes, Mr. Chairman.

Colonel **Rosamond**. If I could, Mr. Chairman. We try to meet annually with the other services, review projects in the outyear programs and determine which ones by geographical location is placed on us by DOD to make as much use of joint facilities as possible.

Senator **Mattingly**. Who makes those analyses?

Colonel **Rosamond**. People in our office, people in the Guard, people in the Navy. We work together on this.

Senator **Mattingly**. I did not know you all had your own accountants.

General **Berkman**. In that way, Mr. Chairman, we make the maximum use of the resources that are provided to us.

Senator **Mattingly**. Thank you all very much.

General **Berkman**. Thank you, Mr. Chairman.

SUBMITTED QUESTIONS

Senator **Mattingly**. The committee has additional questions which we will ask you to answer for the record. They will be inserted at this point.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MATTINGLY

ARMY NATIONAL GUARD

QUESTION: I happen to have noticed that your request this year includes a project at Waycross, Georgia for an Armed Forces Reserve Center. Can you tell me a little bit about this project?

ANSWER: Both the Army Reserve and Georgia Army National Guard units in Waycross, Georgia are currently quartered at inadequate facilities. The U.S. Army Reserve and the Georgia Army National Guard, supported by the State Reserve Forces Facilities Board, recommend that the National Guard Armory be expanded to accommodate the requirements of both the National Guard and Army Reserve units. In this manner, it maximizes the acquisition of needed facilities at a minimum Federal cost.

The Waycross Armory was built in 1956 under the provisions of Public Law 783. This facility has 11,197 square feet of floor space and is deficient in available floor space for all function areas required for unit administration, training, and storage. An addition of 15,184 square feet will provide both sole-use and joint-use space needed by the Headquarters and Headquarters Battery, 1st Battalion of the 230th Field Artillery, Georgia National Guard.

ALLOCATION OF DOLLARS TO CONSTRUCTION

Question. How is the determination made on the amount of money to be allocated for construction within your total budget?

Answer. Soon after the first of the year, work gets under way to construct the Program Objective Memorandum (POM). In mid-January the major commands submit their program requirements for review. Specifically, regarding Military Construction Army Reserve, US Army Forces Command submits a Five Year Plan which portrays prioritized construction project requirements. This is the basis for Office, Chief, Army Reserve to participate in the Department of Army program and budget formulation process on military construction. At the same time, the Army staff adjusts the baseline program reflected in the President's Budget. It then reviews earlier estimates, updating them with new or more complete information. As needed, it reprices existing programs, and when possible, consolidates them to make the overall program more manageable.

Meanwhile, the proponents of the Army staff functional programs, which include Office, Chief, Army Reserve, develop program increments to correct identified deficiencies, concurrently validating and integrating command requirements. The Army staff then merges these new initiatives with existing programs and establishes overall Army program priorities. These priorities are reviewed by Senior Army leadership in late March and early April during functional reviews. The Senior Army leadership then presents a prioritized Army program for approval to the Chief of Staff and the Secretary of the Army. When approved, the Army staff prepares the Program Objective Memorandum, submitting it to the Office of the Secretary of Defense in mid-May. This process permits competition and review of all Army programs in the determination of funding levels for each.

Upon receipt of the POM, the Office of the Secretary of Defense begins its review and in early August transmits a set of Program Decision Memoranda (PDM) approving the Army Program Objective Memorandum with specified changes. As approved, the Program Objective Memorandum provides the basis for budget formulation.

WAYCROSS, GEORGIA FACILITY

Question: Your request for Georgia is $533,000 at Waycross for addition and alteration to the Armed Forces Reserve Center. I assume that this is a joint use facility. Please provide information on your part of the project.

Answer: This project is a joint facility expansion project with the Georgia National Guard. The project is required to provide adequate functional training facilities for the 239th Transportation Company of the US Army Reserve. This unit is presently housed in a 1956-constructed center which is deficient in all necessary areas of administration, training, storage and maintenance.

QUESTIONS SUBMITTED BY SENATOR SASSER

ARMY ARMORY CONSTRUCTION

QUESTION: I realize that construction costs may vary from one State to another, however, what is the average unit cost of a 60-100 and 200 person armory?

ANSWER: There is no true average unit cost value developed for the various armories based on sizes because of differences in requirements peculiar to the assigned units and area construction cost indices that account for regional cost variations. These regional cost variations reflect differences in labor costs, materials, larger heating plants and more insulation in colder climates, or larger air conditioning systems in hot climates, equipment rental fees, local zoning restrictions and the general overall economy of each region. For the limited number of armories included in the FY 84 Military Construction, Army National Guard program request, the following average costs have been developed:

60-Person Armory	$43.51 per sq ft
100-Person Armory	$46.09 per sq ft
200-Person Armory	$44.00 per sq ft

QUESTION: You are requesting $493,000 for a new 60-person armory in Parkton, North Carolina, at a cost of $31 per square foot. You are also requesting $704,000 for a 60-person armory in Noblesville, Indiana at a cost of $50 per square foot. What is the reason for such sizable cost difference for the same size armory?

ANSWER: The costs per square foot for the Parkton, North Carolina and Noblesville, Indiana armories were developed from prior actual costs for similar sized armories constructed in each State. The calculated unit costs are projected to the FY 84 timeframe using construction forecast indices based on published Engineering News Record data. Cost factors developed by the State requesting the construction are also used in developing the cost estimate. When the projects were initially developed, the State estimated unit costs were $49 per square foot for the Noblesville Armory and $28.15 per square foot for the Parkton Armory. Both armories are designed and are to be constructed consistent with the minimum criteria for armories established by the Department of Defense.

ARMY RESERVE - END STRENGTHS

Question: The Administration is seeking to increase Reserve strengths from eight to ten division. How will this increase impact upon future military construction budgets?

Answer: Significant increases to Reserve force structure will require additional construction funds for new facilities above existing budget and program guidance even with maximum utilization of existing facilities. Exact additional funding requirements cannot be determined until after end strength and structure distribution are known. For example, should USAR end strength be increased by 7.7 thousand in terms of new structure, the cost for new facilities would be approximately $133.6 million. This would include $10.8 million for design, $107.8 million for construction, $5.0 million for initial lease of facilities and $10.0 million for land acquisition. An increase in end strength without new structure would entail marginal construction cost increases which could be absorbed within existing fund projections.

PLANNING

QUESTION: For each component, list each project which was approved for planning and design funds in FY 1982 and to date in FY 1983.

ANSWER: The following Army National Guard design contracts were awarded during FY 1982:

State	Location	Project
Alabama	Birmingham	Armed Forces Reserve Center
	Eglin AFB(Florida)	Range
	Montgomery	Combined Support Maintenance Shop
	Montgomery	Contingency Storage Building
	Montgomery	U.S. Property & Fiscal Office Building Addition
	Goodwater	150-Person Armory
Arizona	Various	Energy Conservation Investment Program
	Phoenix	Armory Vault Upgrade
Arkansas	Various	Energy Conservation Investment Program
	Camp Robinson	Quarters
Colorado	Camp George West	Contingency Storage Building
Florida	Ocala	150-Person Armory
	Jacksonville	Army Aviation Support Facility Expansion
	Camp Blanding	Contingency Storage Building
Georgia	Fort Stewart	Contingency Storage Building
	Waycross	Armed Forces Reserve Center Addition
Hawaii	Wheeler AFB	Army Aviation Support Facility Expansion
	Hilo	Army Aviation Flight Activity
Idaho	Gowen Field	Ranges

State	Location	Project
Illinois	Marseilles	Range
	Marseilles	150-Person Armory
Indiana	Noblesville	100-Person Armory
	Gary	Organizational Maintenance Shop
	Gary	300-Person Armory
Kansas	Various	Energy Conservation Investment Program
	Topeka	Contingency Storage Building
Louisiana	Camp Beauregard	Training Facilities
	Lake Charles	Organizational Maintenance Shop
Maine	Various	Energy Conservation Investment Program
	Camp Keyes	National Guard Printing Plant Addition
Minnesota	New Brighton	Organizational Maintenance Shop
	Camp Ripley	Combined Support Maintenance Shop
	Camp Ripley	Winterize Hangar
	Camp Ripley	U.S. Property & Fiscal Office, ADP Addition
	Roseville	Armory Alteration
Mississippi	Camp McCain	Range
	Camp Shelby	Mobilization & Training Equipment Site
	Camp Shelby	Combined Support Maintenance Shop
Montana	Fort Harrison	Unit Training Equipment Site
	Harlowton	60-Person Armory
Nebraska	Hastings	Training Facilities
North Carolina	Parkton	100-Person Armory
	Roanoke Rapids	60-Person Armory
Ohio	Camp Perry	Barracks
Oklahoma	El Reno	100-Person Armory
Oregon	Camp Rilea	Training Facilities
Puerto Rico	Fort Buchanan	U.S. Property & Fiscal Office
	Camp Santiago	Mobilization & Training Equipment Site, Phase I
South Dakota	Flandreau	60-Person Armory
	Camp Rapid	Range
Tennessee	Columbia	Armory Addition
	Waynesboro	60-Person Armory
Texas	Port Arthur	150-Person Armory
	Killeen	300-Person Armory
Utah	Camp Williams	Dispensary
	Salt Lake City	Contingency Storage Building
Vermont	South Burlington	Energy Conservation Investment Program
	Jericho	Training Facilities
Virginia	Sandston	Organizational Maintenance Shop Addition
	Fort Pickett	Direct Support Logistic Facility/ Mobilization & Training Equipment Site
Wisconsin	Medford	60-Person Armory
Wyoming	Camp Guernsey	Dispensary
	Camp Guernsey	Armory Addition

The following Army National Guard design project were awarded to date during FY 1983:

Alabama	Cullman	Armed Forces Reserve Center
	Centreville	100-Person Armory

State	Location	Project
Arizona	Florence	Ammunition Storage Facility
	Phoenix	Contingency Storage Building
Arkansas	Camp Robinson	Professional Educational Center Improvements
California	Fresno	Aviation Classification Repair Activity Depot
	Fresno	300-Person Armory
Georgia	Fort Stewart	Mobilization & Training Equipment Site
Idaho	Coeur d'Alene	60-Person Armory
	Coeur d'Alene	Organizational Maintenance Subshop
Indiana	Salem	100-Person Armory
Kentucky	Frankfort	Contingency Storage Building
Louisiana	DeQuincy	100-Person Armory
Michigan	Lansing	Contingency Storage Building
Minnesota	St Paul	Army Aviation Support Facility Rehabilitation
	St Paul	Armory Rehabilitation
	Camp Ripley	Contingency Storage Building
Mississippi	Clinton	60-Person Armory
	Corinth	100-Person Armory
	Camp Shelby	Training Facilities, Phase 20
	Flowood	Organizational Maintenance Shop
	Indianola	60-Person Armory
	Jackson	600-Person Armory
Nebraska	Lincoln	Contingency Storage Building
Nevada	Carson City	Contingency Storage Building
New Jersey	Vineland	Organizational Maintenance Shop Addition/Modification
New York	Albany	U.S. Property & Fiscal Office Modification
	Camp Smith	Ammunition Storage Modification
	Fort Drum	Combined Support Maintenance Shop Modification
	Youngstown	Range
North Carolina	Raleigh	Contingency Storage Building
North Dakota	Camp Grafton	Training Facilities, Phase I
	Camp Grafton	Training Facilities, Phase II
Puerto Rico	Camp Santiago	Contingency Storage Building
Rhode Island	Middletown	100-Person Armory
South Carolina	Charleston	200-Person Armory
	Columbia	Contingency Storage Building
	Timmonsville	100-Person Armory
Tennessee	Elizabethton	200-Person Armory
Texas	Austin (Camp Mabry)	Contingency Storage Building
	San Antonio	Armory Addition
West Virginia	Beckley	Organizational Maintenance Shop
	Kingswood	Contingency Storage Building
Wyoming	Camp Guernsey	Contingency Storage Building

Question: For each component, list each project which was approved for planning and design funds in FY 1982 and to date in FY 1983.

Answer: Projects approved for design in FY 1982 for the Army Reserve are as follows:

State/Location/Description

Alabama
  Anniston
    Expansion/alteration of Army Reserve Center with maintenance facilities.
  Birmingham
    1000-Member Armed Forces Reserve Center with maintenance facilities.
  Birmingham (Venoa Daniels)
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Arkansas
  Ft Chaffee
    600-Member Army Reserve Center

California
  Modesto
    Expansion/alteration of Army Reserve Center.
  Presidio (Harmon Hall)
    Expansion/alteration of Army Reserve Center with maintenance facilities.
  Santa Ana
    Expansion/alteration of Armed Forces Reserve Center with maintenance facilities
  Vallejo
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Connecticut
  Middletown
    150-Member Army Reserve Center.
  Seaford
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Florida
  Tallahassee
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Georgia
  Athens
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Georgia
  Waycross
    Expansion/alteration of Armed Forces Reserve Center with maintenance facilities.

State/Location/Description

Iowa
  Council Bluffs
    Expansion/alteration of Army Reserve Center with maintenance facilities.
  Davenport
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Kansas
  Parsons (Southern)
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Louisiana
  Lafayette
    Expansion/alteration of Army Reserve Center.

Maryland
  Gaithersburg
    100-Member Army Reserve Center with maintenance facilities.

Missouri
  Ft Leonard Wood
    300-Member Army Reserve Center.

Mississippi
  Laurel
    200-Member Army Reserve Center with maintenance facilities.

Montana
  Billings
    Expansion/alteration of Army Reserve Center with maintenance facilities.
  Great Falls
    Expansion/alteration of Armed Forces Reserve Center with maintenance facilities.

North Carolina
  Morehead City
    Renovate Marine Maintenance Facility.
  Whiteville
    Expansion/alteration of Armed Forces Reserve Center.

Nebraska
  Omaha (21st)
    Rehabilitate Army Reserve Center with maintenance facilities.

New Hampshire
  Keene
    Convert to Army Reserve Center.

New Mexico
  Albuquerque
    Expansion/alteration of Army Reserve Center with maintenance facilities.

State/Location/Description

New York
  Ft Drum
    Multiple Combat Vehicle Range
  Ft Drum
    Infantry Remote Target System - defensive test range.
  Ft Drum
    Infantry Remote Target System - modified field fire
  Glens Falls
    Convert to Army Reserve Center.
  Orangeburg
    400-Member Army Reserve Center with maintenance facilities.

Ohio
  Springfield
    Modification/alteration to Army Reserve Center with maintenance facilities.

Rhode Island
  Cranston
    Expansion/alteration of Army Reserve Center.

South Carolina
  Greenville (Perm Rd #2)
    Expansion/alteration of Army Reserve Center.

South Dakota
  Sioux Falls
    Expansion/alteration of Armed Forces Reserve Center with maintenance facilities.

Tennessee
  Nashville (White Bridge Road)
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Texas
  Brownsville
    Expansion/alteration of Army Reserve Center with maintenance facilities.
  Dallas (Herzog)
    Expansion/alteration of Army Reserve Center with maintenance facilities.

Utah
  Ft Douglas
    Convert to Army Reserve Center.

Virginia
  Bristol
    Convert to Army Reserve Center
  Ft Belvoir (Mosby)
    Expansion/alteration of Army Reserve Center.
  Ft Pickett
    Engineer Training Site
  Ft Pickett
    Military Operation Urban Training Facility.

State/Location/Description

Ft Pickett
  Hand Grendade/Demolition Range.
Ft Pickett
  Confidence Course.
Richmond
  Expansion/alteration of Armed Forces Reserve Center with maintenance facilities.

Washington
  Bothell
    600-Member Army Reserve Center with maintenance facilities.

Wisconsin
  Beaver Dam
    60-Member Army Reserve Center.
  Fond Du Lac
    Expansion/alteration of Army Reserve Center.
  Ft McCoy
    Infantry Remote Target System - Modified Field Fire.
  Ft McCoy
    Infantry Remote Target System - Defensive Test Range.
  Milwaukee (5130)
    800-Member Army Reserve Center with maintenance facilities.

American Samoa
  American Samoa
    150-Member Army Reserve Center with Equipment Shed.

Projects approved for design in FY 1983 for the Army Reserve are as follows:

State/Location/Description

Alabama
  Cullman
    100-Member Army Reserve Center with maintenance facilities.

Colorado
  Rocky Mt Arsenal
    800-Member Army Reserve Center.

Florida
  Jacksonville (Atlantic Blvd)
    Expansion/alteration of Army Reserve Center.

Idaho
  Gowen Field
    Expansion/alteration of Armed Forces Reserve Center with maintenance and storage facilities.

Maryland
  Ft Meade
    Expansion/alteration of Army Reserve Center with maintenance facilities.

New Hampshire
  Concord
    Army Reserve Center with maintenance facilities.

New Jersey
  Ft Dix
    1000-Member Army Reserve Center with maintenance facilities.

Guam
  Barrigada Naval Station
    Renovate Army Reserve Center.

MINOR CONSTRUCTION

QUESTION: For each component list each minor construction project which was approved in FY 1982 and to date in FY 1983.

ANSWER: The following Army National Guard minor construction contracts were awarded during FY 1982:

STATE	LOCATION	PROJECT
Alabama	Montgomery	U.S. Property & Fiscal Office Addition/Alteration
	Montgomery	Contingency Storage Building
	Montgomery	Combined Support Maintenance Shop Modification
Alaska	Anchorage	Army Aviation Support Facility Aircraft Tiedowns
California	Camp Roberts	Energy Conservation Investment Program
	Camp Roberts	Organizational Maintenance Shop Rehabilitation
	Long Beach	Direct Support Logistic Facility
Georgia	Albany	Organizational Maintenance Shop
	Dublin	Organizational Maintenance Shop Addition
	Fort Stewart	Contingency Storage Building
Hawaii	Various	Intrusion Detection Systems
Idaho	Boise	U.S. Property & Fiscal Office Addition
Illinois	Various	Energy Conservation Investment Program
	Various	Intrusion Detection Systems
Kansas	Topeka	Energy Conservation Investment Program
	Salina	Energy Conservation Investment Program
Kentucky	Frankfort	Army Aviation Support Facility Fuel Storage Facility
Maine	Camp Keyes	Printing Plant Addition/Alteration
Maryland	Edgewood	Energy Conservation Investment Program
Massachusetts	Various	Energy Conservation Investment Program
Nebraska	Various	Energy Conservation Investment Program
New York	Various	Energy Conservation Investment Program
Oregon	Camp Rilea	Training Facility

Pennsylvania	Fort Indiantown Gap	Army Aviation Support Facility Modifications
	Punxsutawney	Organizational Maintenance Shop Improvements
	Fort Indiantown Gap	Eastern Army Aviation Training Site Administrative Building
	Various	Intrusion Detection Systems
Puerto Rico	Isla Grande	Army Aviation Support Facility Security Fencing & Lighting
Rhode Island	E. Greenwich	Organizational Maintenance Shop Alterations Armory Alterations
South Dakota	Various	Energy Conservation Investment Program
Utah	Smithfield	Organizational Maintenance Shop Modification
Vermont	Various	Energy Conservation Investment Program
Virginia	Various	Energy Conservation Investment Program

The following Army National Guard minor construction contracts have been awarded to date in FY 1983:

STATE	LOCATION	PROJECT
California	Arcadia	Organizational Maintenance Shop Modification
	Camp Roberts	Cold Storage Plant Rehabilitation
	Stockton	Organizational Maintenance Shop
	Camp Roberts	Energy Conservation Investment Program
Florida	Camp Blanding	Artillery Fire Observation Bunkers
Hawaii	Various	Intrusion Detection Systems
Idaho	Boise	Energy Conservation Investment Program
Illinois	Various	Energy Conservation Investment Program
Iowa	Various	Energy Conservation Investment Program
Kansas	Various	Energy Conservation Investment Program
Louisiana	New Orleans	Armory Rehabilitation
Maine	Bangor	Helicopter Landing Pad & Taxiway
Massachusetts	Westfield	Organizational Maintenance Shop Modification
Nebraska	Various	Energy Conservation Investment Program
New York	Various	Intrusion Detection Systems
Vermont	Various	Energy Conservation Investment Program
Virginia	Various	Military Vehicle Storage Expansion

MINOR CONSTRUCTION

Question. For each component, list each minor construction project which was approved in FY 1982 and to date in FY 1983.

Answer. The list for the Army Reserve follows:

MINOR CONSTRUCTION PROJECTS APPROVED DURING FY 1982

STATE/LOCATION/DESCRIPTION

Alabama
  Ft McClellan
    Warehouse

Arkansas
  Camden & Bartlesville
    Expand Equipment Parking

  Conway & El Dorado
    Upgrade Rifle Ranges

California
  Oakland
    Alter Maintenance Shops

  Oakland
    Admin, Kitchen & Security

Colorado
  Boulder
    Equipment Parking Expansion

  Fort Carson
    Arms Storage Facility

Hawaii
  Fort DeRussy
    Relocate Vehicle Washrack

Idaho
  Hayden Lake
    Sewage Plant, Warehouse & Equipment Parking

Illinois
  Arlington Heights
    Convert Building 210

  Arlington Heights
    Arms Vault

  Joliet
    Baffled Rifle Range

Indiana
  Lafayette
    Kitchen Alteration

  Terre Haute
    Kitchen Alteration

Kansas
  Wichita
    Maintenance Shops & Equipment Parking Additions

STATE/LOCATION/DESCRIPTION

Massachusetts
  Boston
    Equipment Parking, Maintenance Shop and Wash Platform

Mississippi
  Laurel
    Land Acquisition

Nebraska
  Lincoln
    Maintenance Shop Conversion

New Hampshire
  Concord
    Land Acquisition

  Keene
    Land Acquisition

New Mexico
  Artesia
    Expand Maintenance Shop/Kitchen

New York
  Albany
    Upgrade Indoor Range

  Bronx
    Upgrade Indoor Range

  Bullville
    Energy Conservation Improvements

  Mattydale
    Upgrade Indoor Range

  Queens
    Upgrade Indoor Range

New York (Continued)
  Schenectady
    Upgrade Indoor Range

  Tonawanda
    Upgrade Rifle Range

  Watertown
    Upgrade Indoor Range

North Carolina
  Concord
    Land Acquisition

Oklahoma
  Ada & Durant
    Upgrade Firing Ranges

STATE/LOCATION/DESCRIPTION

Chickasha & Midwest
  Upgrade Rifle Range

Enid
  Kitchen Addition & Arms Room Upgrade

Ponca City
  Kitchen Addition

Oregon
Medford
  Addition & Alteration

Portland (Sharff Hall)
  Expand Equipment Parking Area

Pennsylvania
Lewisburg
  Land Acquisition

Oakdale
  Renovate Maintenance Shop

Oakdale
  Security Upgrade

Reading
  Land Option

South Carolina
Greenville
  Maintenance Shop Expansion

North Charleston
  Equipment Parking Expansion

Virginia
Fort Pickett
  Alter VOQ Building 912

Fort Pickett
  Alter VEQ Building 1413

Fort A.P. Hill
  Metal Storage Building

Salem
  Air Conditioning System

Salem
  Kitchen Addition

Washington
Yakima
  Kitchen Expansion

STATE/LOCATION/DESCRIPTION

Wisconsin
  Fort McCoy
    Special Forces Training Facility/Parachutists

  Madison
    Retrofit Rifle Range

  Milwaukee
    84th Div Band Room

MINOR CONSTRUCTION PROJECTS APPROVED DURING FY 1983

STATE/LOCATION/DESCRIPTION

Florida
  Orlando
    Package Treatment Plant

Illinois
  Canton
    Correct Drainage

  Danville
    Kitchen Alteration

Massachusetts
  Boston
    Storage Facility

New York
  Brooklyn
    Kitchen Upgrade Building 213

  Fort Drum
    Range Complex

  Fort Drum
    Combat Pistol Range

Pennsylvania
  New Kensington
    Unit Storage and Admin

  Greensburg
    Unit Storage and Admin

Virginia
  Alexandria
    Kitchen Addition

BACKLOG

QUESTION: Last year the Department reported that the backlog for all Guard and Reserve Components was $2.7 billion. What is the estimated backlog this year?

ANSWER: The Army National Guard estimates the backlog of needed construction by the end of FY 1983 at $813 million.

Question: Last year the Department reported that the backlog for all Guard and Reserve components was $2.7 billion. What is the estimated backlog this year?

Answer: It is estimated that the end FY 1983 Military Construction Army Reserve backlog will be $1.085 billion.

BACKLOG ACCELERATION

QUESTION: Please provide for the record a list from each component, which outlines projects in the FY 1985 program which could be accelerated into FY 1984 for West Virginia and Mississippi. Please provide the Committee with 1391's for these projects.

ANSWER: The Army National Guard FY 1985 program contains one project each for West Virginia and Mississippi available to be advanced to FY 84. They are for a Parachute Shop and Special Forces Training Site building at Camp Dawson, West Virginia, and for a 60-person armory at Gloster, Mississippi. The DD Form 1391 for each project follows.

In addition, the Adjutant General of Mississippi has identified a potential project, not currently in any program year, that could be executed during FY 1984, if funds were made available. This project involves the acquisition of privately owned land within the boundaries of Camp Shelby, Mississippi. Part of this land is leased, at a cost in excess of $100,000 per year, for the training conducted at Camp Shelby. The U.S. Army Corps of Engineers has completed the Real Estate Planning Reports as the first step in this planned acquisition.

Part or all of the privately owned land included in these reports could be acquired at this time. A DD Form 1391 has not been developed for this project but an information paper outlining the proposed project follows.

1. COMPONENT ARNG	FY 19 85 MILITARY CONSTRUCTION PROJECT DATA	2. DATE 22 June 1982

3. INSTALLATION AND LOCATION CAMP DAWSON, KINGWOOD WV	4. PROJECT TITLE PARACHUTE SHOP AND SPECIAL FORCES TRAINING SITE BUILDING

5. PROGRAM ELEMENT 55896A	6. CATEGORY CODE 218	7. PROJECT NUMBER 391	8. PROJECT COST ($000) 693

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
PARACHUTE SHOP & SFTSB	SF	12260	52.00	638
PARACHUTE SHOP	SF	9477	52.00	493
SPECIAL FORCES TRAINING SITE BUILDING	SF	2783	52.00	145
SUPPORTING FACILITIES		-	-	22
SITE PREPARATION	LS	-	-	(5)
ACCESS ROAD/SERVICE & ACCESS APRON	SY	622	10.00	(6)
GRADING & SEEDING	LS	-	-	(1)
UTILITITES: WATER, SEWER, ELECTRIC, FUEL OIL STORAGE	LS	-	-	(10)
SUBTOTAL				660
CONTINGENCY (5%)				33
SUPERVISION, INSP & OVERHEAD (1.32%) NON DD				(9)
TOTAL REQUEST				693
EQUIP PROVIDED FROM OTHER FED APPR NON DD				(1)

10. DESCRIPTION OF PROPOSED CONSTRUCTION

The facility is to be constructed of masonry with built-up roof and concrete floor. All areas where personnel parachutes are packed and maintained require seamless floor covering. Partitions are to consist of a combination of masonry block and chain link fence.

AIR CONDITIONING: 20 tons

11. REQUIREMENT: 12,260 SF ADEQUATE: - 0 SF SUBSTANDARD: 5000 SF

PROJECT: A new parachute shop and Special Forces Training Site Building (SFTSB) to provide depot maintenance of parachutes and special forces equipment and packing of parachutes. Consists of a parachute facility and SFTSB with parachute packing, maintenance & storage areas, parachute wash area and drying tower, instrument shop and scuba gear service/repair areas, administrative and supply areas.

REQUIREMENT: A facility requirement for 12,260 SF is requested to permit maintenance at depot level to be performed on parachutes and equipment authorized at the SFTSB.

CURRENT SITUATION: The existing shop and SFTSB consist of 5,000 SF constructed in 1962 as a vehicle maintenance area. This facility is inadequate in the following areas. Administrative, parachute packing, maintenance and storage areas, and supply room. The existing facility has no environmental controls which is required for parachute shops. There are no areas for washing and drying of parachutes in the existing facility. Heating, lighting and ventilation are also inadequate. The existing facility will be utilized as a vehicle maintenance shop upon completion of the new shop.

IMPACT IF NOT PROVIDED: The quality of work will decrease due to deficient work and storage areas, creating a safety hazard for personnel utilizing parachutes.

1. COMPONENT ARNG	FY 19 85 MILITARY CONSTRUCTION PROJECT DATA	2. DATE 2 February 83

3. INSTALLATION AND LOCATION GLOSTER, MISSISSIPPI	4. PROJECT TITLE 60 PERSON ARMORY

5. PROGRAM ELEMENT 55896A	6. CATEGORY CODE 171	7. PROJECT NUMBER 0599	8. PROJECT COST ($000) 575

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ARMORY BUILDING	SF	17,691	37.19	658
SUPPORTING FACILITIES	LS	-	-	82
SITE PREPARATION (100% STATE)	LS	-	-	(11)
FINE GRADING, SEEDING AND PLANTING	LS	-	-	(23)
FENCING	LF	270	9.26	(3)
PARKING: MILITARY, OFF-STREET & ACCESS	SY	3,666	9.27	(34)
UTILITIES: WATER, SEWER, GAS	LS	-	-	(4)
SIDEWALK	SF	1,800	2.10	(4)
FLAGPOLE	LS	-	-	(3)
SUBTOTAL				740
CONTINGENCY (5%)				37
FEDERAL SHARE				575
STATE SHARE ... NON ADD				(203)
SUPERVISION, INSP&OVERHEAD-FED(1.30%)..NON ADD				(7)
TOTAL REQUEST				575
EQUIP PROVIDED FROM OTHER FED APPR.....NON ADD				-0-

10. DESCRIPTION OF PROPOSED CONSTRUCTION

This is a specially designed armory facility of permanent masonry type construction of brick and concrete block units with built up roof and concrete floors. Complete with paved parking areas, fencing, utilities and other supporting items required to complete the facility for occupancy.

Air Conditioning - 7 tons

REQUIREMENT: 17,691 SF ADEQUATE: -0- SUBSTANDARD: 2,544 SF

PROJECT: A new facility is requested to serve the peacetime mission of this unit. Construction of this armory will improve the readiness of the unit by providing adequate classroom space for required training, areas for the performance of maintenance and supply storage area, a kitchen for preparation and serving of rations which will boost morale. Vehicle training areas and a small arms range in which markmanship training can be conducted. Deferring the construction of this armory would result in the impaired readiness of this unit because of: Lack of classroom space as set forth above, effect morale, thereby resulting in loss of recruiting and retention. Construction of this armory will have a direct effect on training of this unit.

REQUIREMENT: This facility is required to house Det 1, Co A, 155th INF consisting of 72 personnel. The armory will provide the necessary administration, indoor training areas and storage of equipment space to achieve the proficiency in required training and to accomplish the assigned readiness objectives. The new facility would be situated on 5 acres of land owned by the State of Mississippi. There are no other active or reserve facilities located at this site.

CURRENT SITUATION: The present armory consists of 2,544 SF and was a former maintenance shop for a large pulp wood operation. The building is owned by the Town of Gloster, Mississippi. The old building has been partially converted into makeshift classroom space, a small inadequate kitchen, three latrines with one toilet each, a very small administration area, and a supply room and vault of substandard requirements. The building is not supplied with

1 COMPONENT ARNG	FY 19 85 MILITARY CONSTRUCTION PROJECT DATA	2 DATE 2February 83
3 INSTALLATION AND LOCATION GLOSTER, MISSISSIPPI		
4 PROJECT TITLE 60 PERSON ARMORY		5 PROJECT NUMBER 0590

CURRENT SITUATION: CONT'D
hot water and there are no hose bibs for required cleaning and maintenance of equipment. The existing facility has no food preparation area, scullery area, showers, urinals, learning center, library or firing range. The existing building is located on approximately 2.5 acres and will be returned to the Town of Gloster according to State Law.

IMPACT IF NOT PROVIDED: Assigned unit will be required to use the overcrowded facility with inadequate areas in supply, training and food preparation areas. The overcrowded conditions will continue to have an adverse effect on troop morale, effecting the retention and recruiting of personnel.

INFORMATION PAPER

NGB-ARI
25 Mar 83

SUBJECT: Proposed Acquisition of Privately-owned In-Holdings, Camp Shelby, Mississippi

FACTS.

1. For many years, the Army has been leasing privately-owned lands scattered throughout the Camp Shelby training area. The exact acreage leased has varied depending on the requirements and the willingness of the owners to lease.

2. The rental has steadily increased and is now approximately $100,000 per year for those parcels considered essential to the training mission.

3. The Corps of Engineers has now completed two Real Estate Planning Reports for all privately-owned parcels within the boundaries of Camp Shelby. One report covered one parcel of land containing approximately 640 acres and the other report covered some 125 parcels containing approximately 9,100 acres.

4. Acquisition of the 640 acres parcel and 1,200 acres included in the second Real Estate Planning Report is planned to be accomplished during FY 83. Authority will be sought to finance this proposed acquisition from savings anticipated to be generated during the execution of the FY 83 Military Construction, Army National Guard program.

5. If the remaining acreage included in the second Real Estate Planning Report were to be purchased, including timber and mineral rights, the cost is estimated to be $13,700,000. It does not appear essential to acquire the timber and/or the minerals. Priorities have been established for acquisition. Following is a table showing the pertinent information:

Priority Number	Acreage	Land	Timber	Mineral	Total
1	4,060	2,533,750	948,750	1,522,500	5,005,000
2	605	287,375	166,375	226,875	680,625
3	1,015	817,925	226,325	380,625	1,424,875
4	3,300	2,791,000	759,000	1,237,500	4,787,500
Totals	8,980	6,430,050	2,100,450	3,367,500	11,898,000

A contingency of 15 percent was added to these estimates to reach the above estimate of $13,700,000.

6. The National Guard Bureau supports the acquisition of all parcels of land remaining in the second Planning Report (8,980 acres), less timber and mineral rights, at an estimated cost of $7,400,000 (including a 15% contingency) if funds were to be added to the FY 84 budget request.

NOTE TO COMMITTEE:

Ref: Army National Guard Military Construction Program

Questions and responses for Insert No.14 concerning Army National Guard construction projects for West Virginia in FY 1985 are the same as provided for Insert No. 18, questions 'a' and 'b'.

BACKLOG ACCELERATION

Question: Please provide for the record a list from each component, which outlines projects in the FY 1985 Program which could be accelerated into FY 1984 for West Virginia and Mississippi. Please provide the Committee with 1391's for these projects.

Answer: The Army Reserve has a project in Laurel, Mississippi which could be accelerated into the FY 1984 Program. There are no projects for the State of West Virginia which could be accelerated.

1. COMPONENT USAR	FY 1985 GUARD AND RESERVE MILITARY CONSTRUCTION	2. DATE Revised 25 March 1983
3. INSTALLATION AND LOCATION USAR Center, Laurel, MS		4. AREA CONSTR COST INDEX .99

5. FREQUENCY AND TYPE OF UTILIZATION

40 hours per week by Reserve technicians
40 hours per week by AMSA personnel
2 days per month by reservists

6. OTHER ACTIVE/GUARD/RESERVE INSTALLATIONS WITHIN 25 MILE RADIUS

MSARNG Laurel, MS	150 Member Armory	Constructed 1959	miles	1/2
MSARNG Hattiesburg, MS	100 Member Armory	Constructed 1959	miles	22
MSARNC Taylorsville, MS	60 Member Armory	Constructed 1957	miles	22

7. PROJECTS REQUESTED IN THIS PROGRAM

CATEGORY CODE	PROJECT TITLE	SCOPE	COST ($000)	DESIGN STATUS START	DESIGN STATUS COMPLETE
171-40	Construct new 200-M USAR Center w/OMS/ AMSA	28,290SF	2856		

8. STATE RESERVE FORCES FACILITIES BOARD RECOMMENDATION

16 Apr 81
(Date)

Facilities identified in Item 6 have been examined by the State Reserve Forces Facilities Board for possible joint use/expansion. The Board recommends unilateral construction.

9. LAND ACQUISITION REQUIRED

None

(Number of Acres)

10. PROJECTS PLANNED IN NEXT FOUR YEARS

None

1. COMPONENT	FY 1985 GUARD AND RESERVE MILITARY CONSTRUCTION	2. DATE
USAR		Revised 25 March 1983

3. INSTALLATION AND LOCATION

USAR Center, Laurel, MS

11. PERSONNEL STRENGTH AS OF 31 Dec 82

	PERMANENT				GUARD RESERVE		
	TOTAL	OFFICER	ENLISTED	CIVILIAN	TOTAL	OFFICER	ENLISTED
AUTHORIZED	17	1	10	6	204	22	182
ACTUAL	16	1	10	5	202	22	180

12. RESERVE UNIT DATA

Drill Schedule	UNIT DESIGNATION	UIC	TPSN	STRENGTH AUTHORIZED	STRENGTH ACTUAL
I	HHB, 3/83 FA	WRK3AA	21864	132	132
I	Svc Batry 3/83 FA	WRK3SO	21864	72	70

13. MAJOR EQUIPMENT AND AIRCRAFT

TYPE	AUTHORIZED	ASSIGNED
Trucks	53	39
Trailers	21	21
Others	3	2

14. OUTSTANDING POLLUTION AND SAFETY DEFICIENCIES

	($000)
Air Pollution	0
Water Pollution	0
Safety and Occupational Health	0

1. COMPONENT USAR	FY 19 85 MILITARY CONSTRUCTION PROJECT DATA	DATE Revised 25 March 1983

3. INSTALLATION AND LOCATION USAR Center, Laurel, MS	4. PROJECT TITLE Construct new USAR Center 200-Member with AMSA/OMS

5. PROGRAM ELEMENT	6. CATEGORY CODE 171-40	7. PROJECT NUMBER	8. PROJECT COST ($000) 2,856

9. COST ESTIMATES

ITEM	U M	QUANTITY	UNIT COST	COST ($000)
PRIMARY FACILITIES				1,931
Training Building	SF	22,243	64.82	(1,442)
AMSA/OMS Shop	SF	5,748	83.15	(478)
Covered Storage	SF	299	37.00	(11)
SUPPORTING FACILITIES				659
Site Preparation	LS	-	-	(329)
Fine Grading & Landscaping	LS	-	-	(65)
Fencing	LF	1,020	10.78	(11)
Parking POV	SY	5,460	16.84	(92)
Parking MEV	SY	2,600	9.61	(25)
Access Roads	SY	850	24.70	(21)
Sidewalks	SY	1,780	3.37	(6)
Flag Pole	EA	1	3,000	(3)
Apron	SF	1,094	4.57	(5)
Wash Rack	EA	2	4,500	(9)
Lighting Security	LS	-	9,000	(9)
Utilities	LS	-	-	(41)
Hoist	EA	1	3,000	(3)
SUBTOTAL				2,590
Contingency 5%				130
Supervision, Inspection and Overhead 5%				136
Total Contract Cost				2,856

10. DESCRIPTION OF PROPOSED CONSTRUCTION: This will be a specially designed facility of permanent masonry type construction with built-up roof and concrete floor. It will be a one-story structure with appropriate mechanical and electrical equipment with a collocated maintenance shop. Estimated air-conditioning is 25 Tons.

11. REQUIREMENT: 28,290 SF, ADEQUATE: 0, SUBSTANDARD: 0.
PROJECT: Construct a new US Army Reserve Center and maintenance facility.
REQUIREMENT: This facility is required to house the HHB, 3/83 FA and Service Battery, 3/83 FA with a total authorized strength of 204. This USARC with OMS/AMSA facility will provide the necessary administration, indoor training areas, equipment storage space, and maintenance area to achieve the proficiency in required training and to accomplish the assigned readiness objectives and maintenance posture.
CURRENT SITUATION: Both units are currently housed in a substandard leased facility consisting of 14,552 SF. The leased facility is deficient in classroom space, kitchen facilities, latrines, administrative areas, storage and maintenance facilities. The existing $16,452 annual lease will be terminated upon completion of new facility.
IMPACT IF NOT PROVIDED: Assigned units will continue to use the overcrowded substandard facility which will continue to have an adverse effect on troop morale, recruiting and retention, and readiness posture.

AWARDS

QUESTION: How many Guard and Reserve projects were approved by Congress in FY 1982?

ANSWER: For the Army National Guard:

Number of projects submitted in support of FY 1982 budget request	59
Number of projects added by Congress	27
Number of projects reprogramed into FY 1982	9
Total number of projects	95
Projects submitted for 30-day notification for authorization and approval	78
Number of projects deferred/cancelled out of FY 1982	17
Projects authorized but not awarded	15

QUESTION: How many 1982 projects have been awarded?

ANSWER:

Number of FY 1982 projects awarded	63

QUESTION: How many 1983 projects have been awarded? What percentage of 1983 projects does this represent?

ANSWER: Four projects have been awarded which represents about 10% of the FY 1983 program.

Question: How many Guard and Reserve projects were approved by Congress in FY 1982?

Answer: There were 32 Army Reserve projects approved by the Congress in FY 1982. In addition, nine projects to be constructed with FY 1982 savings were approved by the Congress in FY 1983.

Question: How many 1982 projects have been awarded?

Answer: Thirty-four Army Reserve projects have been awarded.

Question: How many 1983 projects have been awarded? What percentage of 1983 projects does this represent?

Answer: Eleven Army Reserve projects have been awarded. This is 68.8% of the approved FY 1983 program.

5-YEAR PROGRAM

QUESTION: What is requested for each Guard and Reserve Component in FY 84:

ANSWER: The Army National Guard budget request is for $55,300,000 of which $44,500,000 is requested for major construction of armory and nonarmory facilities, $7,600,000 for minor construction projects costing less than $200,000 each and $3,200,000 for planning and design efforts.

QUESTION: Provide a list outlining the funds appropriated for the Guard and Reserve Components in the last five years.

ANSWER: Military Construction, Army National Guard in thousands of dollars:

FY 79	FY 80	FY 81	FY 82	FY 83
52,200	23,700	42,269	67,658	54,958

QUESTION: What is programmed for each Guard and Reserve Component in the next five years?

ANSWER: Military Construction, Army National Guard in thousands of dollars:

FY 84	FY 85	FY 86	FY 87	FY 88
55,300	91,593	116,137	121,670	123,357

Question: What is requested for each Guard and Reserve component in FY 1984?

Answer: The Army Reserve is requesting $52.7 million.

Question: Provide a list outlining the funds appropriated for the Guard and Reserve components in the last five years.

Answer: The MCAR appropriation was as follows:

FY 1979	$37,100,000
FY 1980	$30,000,000
FY 1981	$43,200,000
FY 1982	$64,703,000
FY 1983	$41,800,000

Question: What is programmed for each Guard and Reserve component in the next five years?

Answer: The following are the levels programmed for the Army Reserve at the time of the President's Budget was prepared:

FY 1985	$94,829,000
FY 1986	$77,709,000
FY 1987	$107,050,000
FY 1988	$131,230,000
FY 1989	$131,230,000

Questions Submitted by Senator Byrd

WEST VIRGINIA MILCON PROJECTS

QUESTION: Would you please provide for the record a listing of each of the Guard and Reserve Military Construction projects and each regular component construction project in the FY 1985 program for West Virginia?

ANSWER: The Army National Guard has one project, the Parachute Shop and Special Forces Training Site Building at Camp Dawson, programed for FY 1985. No projects are programed by the Army Reserve and by the U.S. Army.

QUESTION: For each of these projects, provide for the record either a Form 1391 or a comparable narrative statement indicating the installation and location, project cost, description of proposed construction, the need for the project (including current situation and impact if not provided) and other pertinent data.

ANSWER: The DD Form 1391 for the Parachute Shop and Special Forces Training Site Building, Camp Dawson, West Virginia, is provided for the record.

1. COMPONENT ARNG	FY 19 85 MILITARY CONSTRUCTION PROJECT DATA	2. DATE 22 June 1982

3. INSTALLATION AND LOCATION CAMP DAWSON, KINGWOOD WV	4. PROJECT TITLE PARACHUTE SHOP AND SPECIAL FORCES TRAINING SITE BUILDING

5. PROGRAM ELEMENT 55896A	6. CATEGORY CODE 218	7. PROJECT NUMBER 391	8. PROJECT COST ($000) 693

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
PARACHUTE SHOP & SFTSB	SF	12260	52.00	638
PARACHUTE SHOP	SF	9477	52.00	493
SPECIAL FORCES TRAINING SITE BUILDING	SF	2783	52.00	145
SUPPORTING FACILITIES		-	-	22
SITE PREPARATION	LS	-	-	(5)
ACCESS ROAD/SERVICE & ACCESS APRON	SY	622	10.00	(6)
GRADING & SEEDING	LS	-	-	(1)
UTILITITES: WATER, SEWER, ELECTRIC, FUEL OIL STORAGE	LS	-	-	(10)
SUBTOTAL				660
CONTINGENCY (5%)				33
SUPERVISION, INSP & OVERHEAD (1.32%) NON DD				(9)
TOTAL REQUEST				693
EQUIP PROVIDED FROM OTHER FED APPR NON DD				(1)

10. DESCRIPTION OF PROPOSED CONSTRUCTION

The facility is to be constructed of masonry with built-up roof and concrete floor. All areas where personnel parachutes are packed and maintained require seamless floor covering. Partitions are to consist of a combination of masonry block and chain link fence.

AIR CONDITIONING: 20 tons

11. REQUIREMENT: 12,260 SF ADEQUATE: - 0 SF SUBSTANDARD: 5000 SF

PROJECT: A new parachute shop and Special Forces Training Site Building (SFTSB) to provide depot maintenance of parachutes and special forces equipment and packing of parachutes. Consists of a parachute facility and SFTSB with parachute packing, maintenance & storage areas, parachute wash area and drying tower, instrument shop and scuba gear service/repair areas, administrative and supply areas.

REQUIREMENT: A facility requirement for 12,260 SF is requested to permit maintenance at depot level to be performed on parachutes and equipment authorized at the SFTSB.

CURRENT SITUATION: The existing shop and SFTSB consist of 5,000 SF constructed in 1962 as a vehicle maintenance area. This facility is inadequate in the following areas. Administrative, parachute packing, maintenance and storage areas, and supply room. The existing facility has no environmental controls which is required for parachute shops. There are no areas for washing and drying of parachutes in the existing facility. Heating, lighting and ventilation are also inadequate. The existing facility will be utilized as a vehicle maintenance shop upon completion of the new shop.

IMPACT IF NOT PROVIDED: The quality of work will decrease due to deficient work and storage areas, creating a safety hazard for personnel utilizing parachutes.

QUESTION: Which of these projects could be accelerated into fiscal 1984? Are there any projects programmed for 1986 and beyond which could be accelerated into fiscal year 1984?

ANSWER: The National Guard Bureau would support accelerating the Camp Dawson Parachute Shop and Special Forces Training Site Building project if funds were provided in FY 84. However, authorization has just been granted to the State to negotiate a contract for architect/engineering services to design this project. No FY 86 and beyond planned projects have been submitted by the State for initiating design.

LIST OF WEST VIRGINIA CONSTRUCTION PROJECTS

Question: Would you please provide for the record a listing of each of the Guard and Reserve Military Construction projects and each regular component construction project in the FY 1985 program for West Virginia.

Answer: There are no West Virginia projects in the Army Reserve's FY 1985 program.

Question: Which of these projects could be accelerated into Fiscal Year 1984? Are there any projects programmed for 1986 and beyond which could be accelerated into Fiscal Year 1984?

Answer: There are no Army Reserve projects for West Virginia that are under design and therefore could be accelerated into FY 1984.

SOUTH CHARLESTON RESERVE CENTER

Question: What steps are required by the Department of Defense, the State of West Virginia and the Congress to facilitate the construction of the South Charleston Combined Armed Forces Reserve Center? What are the options open to the Department, the State and the Congress in this matter?

Answer: Currently, the State of West Virginia has an option on a 10+ acre site known as Cross Lanes which meets the requirements for an Armed Forces Reserve Center (AFRC). The exchange agreement between the State and the Federal Government is being staffed by both parties. Once the form and substance of the exchange agreement have been approved by both parties, the Congress will be notified of the manner in which the State and DOD intend to proceed. This notification is required by section 915 of PL 97-99 as amended by section 815 of PL 97-321.

The options currently open to the DOD, State, and Congress include: construction of the AFRC by the State using State funds and the exchange of facilities with appropriate funds transferred to the State at that time, construction of the AFRC by the State using DOD funds and the exchange of facilities after completion of construction, right-of-entry to Cross Lanes given by the State to DOD with construction by DOD and exchange of facilities upon completion of construction, land acquisition and construction by DOD with subsequent excessing of the old Reserve Centers via routine means, or disapproval of the project by the Congress with the units remaining in the old Reserve Centers.

ELKINS AND CAMP DAWSON RESERVE CENTERS

Question: What is the situation with regard to the Military Reserve Centers at Elkins and Camp Dawson? Please provide a detailed report for the record.

Answer: At Elkins, West Virginia the First Platoon of the 646th Quartermaster Petroleum Company has an authorized strength of 50 members and is housed in an adequate leased facility. No new facilities are planned or programmed since the authorized strength is below 55 members required by Army Regulations for facility construction.

At Kingwood, West Virginia the 646th Quartermaster Company (minus) was evicted from Camp Dawson by the West Virginia National Guard and is now housed in adequate leased facilities in Kingwood. Activities to acquire land to construct a new center were dropped after no suitable site was located in two years of search by the Corps of Engineers.

NAVAL RESERVE

STATEMENT OF REAR ADM. HOWARD ROOP, U.S. NAVAL RESERVE, DEPUTY DIRECTOR, NAVAL RESERVE

INCREASES IN END-STRENGTH

Senator MATTINGLY. Thank you very much.

Admiral ROOP. Good morning, Mr. Chairman. It is a pleasure to appear before you and this committee to present the military construction requirements of the Naval and Marine Corps Reserve.

With your permission, Mr. Chairman, I have a prepared statement for the record and I would like to briefly summarize that statement.

Senator MATTINGLY. Without objection.

Admiral ROOP. Thanks to the Congress, the Naval Reserve is growing and also the Marine Corps Reserve. We expect no difficulties in maintaining the end strength of 93,440 this fiscal year which was authorized and funded, and the Marine Corps maintaining a strength of over 38,000.

To support and train these Reserve personnel for mobilization we are making maximum use of our existing facilities. The Naval and Marine Corps Reserve military construction appropriation request totals $24.8 million. This includes $21 million for major projects, $1 million for minor construction projects costing less than $200,000 each, and $2.8 million for project planning and design.

In 1980 and 1981 we had dollar shortfalls in the program which were carried over to the new fiscal years because projected available dollars would not cover these project costs. I am pleased to report that in fiscal year 1982 this shortfall was eliminated. This was primarily due to the excellent bidding climate experienced during the year in which considereable savings were generated.

RESERVE CENTER REPAIR AND REHABILITATION

In addition, a large portion of these savings was applied to a project to repair and rehabilitate the Naval and Marine Corps Reserve Center at Los Angeles, which was very severely damaged by fire in 1980.

Currently, the backlog of required construction is about $441 million. Certainly, we are very concerned about the growth of the backlog. Unfortunately the Naval Reserve facility requirements in previous years have not competed favorably within the Navy programing and planning system. This; of course, includes the Marine Corps Reserve requirements.

The Navy's planning and programing system is highly competitive in which mission requirements and priority programs receive the greatest support. The one-Navy concept dictates that Reserve requirements be integrated with all Navy requirements in competition for dollar support.

A comprehensive review and analysis of our construction program, however, has been undertaken in the last two planning and programing cycles and an improvement in funding levels in the outyears has been accomplished. Recognizing, however, the funding constraints we will continue to press for improvements in this area.

CONSTRUCTION PROJECTS

As you know, the Naval and Marine Corps Reserve share a common construction program. Because of the savings involved we are also endeavoring to improve our opportunities for joint construction with our Guard and Reserve counterparts and are also looking at consolidations.

This year you are serving two joint construction projects with the Army Reserve. Ten additional projects have been identified and are being studied for potential joint construction or consolidation within the 5-year Defense plan.

The projects contained in our program will contribute substantially to the improved readiness and responsiveness of the Naval and Marine Corps Reserve. We deeply appreciate the past support of this committee and earnestly seek your approval of the requested projects that comprise this program.

That concludes my statement, Mr. Chairman, and I will be happy to respond to any questions that you have.

[The prepared statement of Rear Adm. Howard Roop follows:]

PREPARED STATEMENT OF REAR ADM. HOWARD ROOP

DEPUTY DIRECTOR

U.S. NAVAL RESERVE

Mr Chairman and Members of the Committee

It is a pleasure to appear before this Committee and to present the Military Construction requirements of the Naval and Marine Corps Reserve.

Thanks to the Congress the Naval Reserve is growing. In FY 1982 we achieved our authorized Selected Reserve growth to 92,647. We expect no difficulties in maintaining the average strength level of 92,490 authorized and funded in FY 1983. We are currently reducing our strength to not exceed the funds appropriated. To support and train these Reserve personnel for mobilization, we are making maximum use of our existing facilities. Unfortunately, our physical plant is tired and worn out. Many of our structures were built during the 40's and early 50's. Four of our six Naval Air Stations were constructed during World War II and show signs of block obsolescence. Our typical center is also a 1940's structure of two or three quonset huts connected by a headhouse structure. In total, 93 of 236 facilities or 39% are substandard and have deteriorated beyond economic rehabilitation, maintenance and repair.

With the Naval and Marine Corps Reserve continuing to receive newer equipment and new challenges and missions, our facility requirements have increased. It is in this setting that we submit the Military Construction, Naval Reserve Program for Fiscal Year 1984.

The objective of our Military Construction program, in concert with our Facilities Maintenance and Repair Program, is to provide adequate operational, training, administrative and personnel support facilities to properly train our Reserve personnel to be "Mobilization Ready." Our top priority is to improve the readiness posture.

The Naval and Marine Corps Reserve, Military Construction Request totals $24.8 million. This total is comprised of three parts. First, an authorization and appropriation is requested for major projects totalling $21.0 million, including $500,000 for the Energy Conservation Investment Program. Second, $1.0 million is requested to fund minor construction projects costing less than $200,000 each. Third, $2.8 million is requested for project planning and design. The request for planning and design is proportionately higher than in previous years. Emphasis has been placed upon accelerating the planning and design efforts in order to present projects sufficiently complete in their design to allow initiation and construction earlier in the Fiscal Year. This will allow for continuing improvement in the execution of our approved programs.

The Naval and Marine Corps Air Reserve portion of our Fiscal Year 1984 Program includes: a project at Naval Air Reserve Unit Whidbey Island, Washington for an aircraft parking apron to provide adequate aircraft parking space for assigned aircraft, an installation at Naval Air Reserve Unit, Alameda, California to provide permanently installed motor generator sets which will eliminate the requirement to utilize less efficient mobile motor generator sets, a project at Naval Air Station, New Orleans, Louisiana for a sewage treatment facility, a project at Naval Air Station, Dallas, Texas to provide unaccompanied enlisted personnel housing, a project at Naval Air Station, South Weymouth, Massachusetts to provide a training building for a Marine Air Support Squadron tasked with expeditionary training support, and an energy conservation project at Naval Air Station, New Orleans, Louisiana to provide energy conservation retrofits and building modifications.

The projects for the Naval Surface and Marine Corps Ground Reserve forces include: two projects, in Amityville, New York and Corpus Christi, Texas, for new Reserve Training Buildings which will provide adequate and modern facilities to accommodate training, a project to provide alterations to a recently obtained school in Fort Wayne, Indiana; a chapel at Naval Support Activity, New Orleans, Louisiana to replace a burned down facility for providing religious services and education activities; and an energy conservation project at Naval Support Activity, New Orleans, Louisiana to provide energy conservation retrofits and building modifications.

In 1980 and 1981 we had dollar shortfalls in the program which were carried over to the new fiscal year because projected available dollars would not cover project costs. I am pleased to report that in FY 1982 this shortfall was eliminated. This was primarily due to the excellent bidding climate experienced during the year in which considerable savings were generated. In addition, a major portion of these savings were applied to a project to repair/rehabilitate the Naval and Marine Corps Reserve Center Los Angeles, California which was severely damaged by fire.

A major effort continued in 1982 to inspect and clearly identify facility deficiencies in the surface community. In concert with this effort has been the establishment and implementation of the whole center repair program. This program is designed to eliminate all identified facility deficiencies, to provide energy conservation saving features, and to incorporate limited state-of-the-art improvements in selected Naval and Marine Corps Reserve Centers. It is designed to overcome the inefficiency of large number of smaller special projects. Those centers in the worst condition are receiving priority consideration for replacement in our Military Construction program while those permanent centers in the worst condition are receiving priority attention in our Facilties Maintenance and Repair program.

Currently, the backlog of required construction is about $441 million. We are very concerned over the growth of the backlog. In addition, when one considers the projected rapid growth in the Navy's Selected Reserve manning, we can anticipate additional facility requirements being generated which will add to this backlog. Unfortunately, the Naval Reserve facility requirements, in previous years, have not competed favorably within the Navy programming and planning system. The Navy's planning and programming system is highly competitive, in which mission requirements and priority programs receive the greatest support. The "One Navy" concept dictates that Reserve requirements be integrated with all Navy requirements in competition for dollar support. The Military Construction, Navy funds were generally applied to new fact-of-life facility requirements to support increased numbers and improved weapons and systems while our program represented primarily a modernization effort. This combination resulted in a relatively low level of funding for Reserve Military Construction. However, a comprehensive review and analysis of our construction program has been undertaken in the last two planning and programming cycles and an improvement in funding levels, in the outyears, has been accomplished. Recognizing the funding constraints, we will continue to press for improvements in this area.

As you know, the Naval and Marine Corps Reserve share a common construction program. Because of the savings involved, we are endeavoring to improve our opportunities for joint construction with our Guard and Reserve counterparts. Ten projects have been identified and are being studied for potential joint construction or consolidation within the Five Year Defense Plan. This year you are seeing two joint construction projects with the Army Reserve. The entire Guard and Reserve Construction Programming community continues to emphasize joint intermediate and long range planning to more effectively use existing and new facilities.

The justification data books which have been furnished contain detailed project descriptions and supporting information. All proposed projects will improve training, operational, maintenance or personnel support facilities actively utilized by the Naval and Marine Corps Reserve. We appreciate the past support of this committe and earnestly seek your approval of the required projects that comprise this program.

This concludes my statement, Mr. Chairman. I will be happy to answer any questions and to provide any additional information that may be desired.

REAR ADMIRAL HOWARD ROOP, USNR-R

Rear Admiral Roop was born in Denver, Colorado, in 1924, and enlisted as a Naval Aviation Cadet in 1942. He was called to active duty in July 1943, and discharged as a seaman first class in January 1946, following various naval ground and flight schools.

He entered the University of Southern California on a football scholarship, and graduated in 1949 with a Bachelor of Science Degree in commercial aviation. Upon graduation, he received a direct commission to Ensign. Recalled to active duty during the Korean conflict, he was assigned to the USS LOGAN (APA 196) as assistant boat group commander. Prior to release from active duty, he compeleted training at the Naval Amphibious Base, Coronado, joined Underwater Demolition Team FIVE, and served as Operations Officer.

Reaffiliating with the Naval Reserve, he served in the air intelligence program from 1954 to 1967, as executive officer of two air intelligence units, and Commander, Naval Air Intelligence Reserve Unit 722 at Naval Air Station, Los Alamitos, California. Transferred to Naval Air Reserve Division L-1, he became Training Officer, Executive Officer and, ultimately, Commanding Officer.

Following promotion to Captain, he transferred to the Naval Air Reserve staff, Naval Air Station, Los Alamitos, and ultimately was selected as Commander, Naval Air Reserve staff. Following a brief tour with the Los Angeles Recruiting Office, he rejoined the intelligence community and, after transfer to Volunteer

Training Unit 0994, continued in the intelligence program on a TAD basis until promotion to Rear Admiral in July 1979.

Rear Admiral Roop assumed command of the Readiness Command Region NINETEEN in June 1981, with headquarters in San Diego. This is the largest command in the entire Naval Reserve. He was recalled to active duty as Deputy Director of Naval Reserve on 15 November 1982.

Rear Admiral Roop has received the Meritorious Unit Commendation, World War II Victory Medal, American Theatre, China Service, Korean Conflict with one battle star, National Defense, Good Conduct, as well as several United Nations medals and awards.

In civilian life, Admiral Roop has been an educator for 32 years, serving as teacher, coach, counselor, high school assistant principal, intermediate school principal, high school principal, and recently was Assistant Superintendent of the Huntington Beach, California Union High School District.

In 1959, he achieved an MS Degree, and in 1971 a Doctorate in Education, both from the University of Southern California.

A classical music enthusiast, and a member of the Orange County Philharmonic Society, he also participates in many sports.

WHEELING, W. VA., RESERVE TRAINING FACILITY

Senator MATTINGLY. Thank you very much, Admiral.

One question I do have is in reference to the Naval and Marine Reserve training facility at Wheeling, W. Va. Our staff has been unable to find this in the new proposal in fiscal year 1984.

Admiral ROOP. This is presently under study. It was studied very thoroughly and the evaluation of that study has been forwarded up the chain of command. A decision has yet to be made as far as the determination of when that center will be constructed.

Senator MATTINGLY. Then we do not have to be concerned about it, I guess, in fiscal year 1984.

Your request for fiscal year 1984 is less than in fiscal year 1983. Needless to say, that is slightly shocking—which is probably good news in the budget circles. But in light of the continued growth of the backlog now, why has your budget not increased?

Admiral ROOP. The reason it has not increased, Senator, is because in the programing and planning cycle the competition was such that it did not receive the priority that we had hoped it might receive. Therefore, in the 1984 budget, we have less dollars budgeted than in previous years.

I might point out, though, in the 5-year Defense plan, we are projecting increases for the subsequent 4 years. Of course, these funds have to compete, too.

BUDGET PROJECTIONS

Senator MATTINGLY. what was the fiscal year 1982 proposal, do you know, and what is fiscal year 1983?

Admiral ROOP. In fiscal year 1983 it was $25.2 million. In fiscal year 1982, $36 million.

Senator MATTINGLY. And what is 1984?

Admiral ROOP. It is $24.8 million.

Senator MATTINGLY. What is projected for 1985?

Admiral ROOP. I had that right here, $28.9 million.

Senator MATTINGLY. Does it increase appreciably anywhere?

Admiral ROOP. It starts to increase in 1986 and 1987.

Senator MATTINGLY. what is the projection?

Admiral ROOP. It is $37.9 million in 1986; $37.2 million in 1987, and $39.6 million in 1988. but of course, it has to compete.

Senator MATTINGLY. Is that the way you plan to reduce your backlog?

Admiral ROOP. That plus some other ways such as joint construction We are doing some creative things. For example, we have purchased a school that was closed by a community. It is far less dollars to acquire a building of this type. We are looking at such things as that, as well as, of course, competing for more dollars. But joint construction is a creative way to use our money and then, of course, there is reprograming savings.

SAVINGS IN BIDS FOR FISCAL YEAR 1983 PROJECTS

Senator MATTINGLY. What have been your average savings now in your bids for fiscal year 1983 projects?

Admiral Roop. Well, savings in fiscal year 1982 was $1.5 million and to date $4 million in 1983.

Senator Mattingly. How does that compare to what we had budgeted versus what the bids are coming in; what is the percentage?

Admiral Roop. The bids are coming in 25 to 30 percent below budget. The bidding climate last year and this year is about 67 to 68 percent of the amount appropriated.

SUBMITTED QUESTIONS

Senator Mattingly. Good. I appreciate it. I thank you all very much. Any other questions we will submit to you and you can respond to them in writing.

Admiral Roop. Thank you very much. We again appreciate your efforts, Senator. Thank you.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

SUBMITTED QUESTIONS

FACILITY NEEDS

Question: Where do your greatest needs lie with regard to facilities?

Answer: While we are concerned about facilities in all areas the major concern and emphasis is on operational facilities to properly train our Reserve personnel to be "Mobilization Ready". In the Naval Air Reserve this includes resurfacing runways, new hangars, Aviation Technical Training buildings and aircraft aprons. On the Naval Surface side this includes the replacement of the 93 remaining overage Reserve Training Centers. In the Marine Corps Reserve it is expanding our already fully utilized Marine Corps Reserve Training Centers.

GEORGIA FACILITIES

Question: Are there any requests for facilities in Georgia planned for future years?

Answer: While not requiring new construction the Marine Corps Reserve will be establishing two new Reserve Centers this year at Albany and Savannah, Georgia. The following projects are being planned in future years for the State of Georgia.

Fiscal Year	Location	Description	Cost ($000)
86	NAS Atlanta, GA	Aviation Intermediate Maintenance Building	1,550
86	NAS Atlanta, GA	Fire Station	250

PLANNING

Question: For each component, list each project which was approved for planning and design funds in FY 1982 and to date in FY 1983.

Answer: Projects are not specifically approved for planning and design in the Military Construction, Naval Reserve program. Instead funds are requested based on an estimate of the funds required to design all projects that are not under construction. This estimate is based primarily on those projects in the next 1 to 2 years. The request for FY 1984 includes $2.8 million in planning and design which is approximately 8% of the projected FY 1986 program. Similarly the planning and design funds originally appropriated in FY 1982 and FY 1983 were approximately 8 to 9% of the projects presently in the FY 1983/1984 and FY 1984/1985 programs, respectively.

MINOR CONSTRUCTION

Question: For each component list each minor construction project which was approved in FY 1982 and to date in FY 1983.

Answer: The following is provided:

FY	Location	Description	Cost ($000)
83	NRC Kearney, NJ	Alteration to RESCEN	100
83	NAF Detroit, MI	Warehouse Sprinkler System	68
83	NRC Oklahoma City, OK	Vehicle Maintenance Addn	145
83	NAS New Orleans, LA	Paint Spray Booth	87
83	NAS New Orleans, LA	Transmitter Bldg Alteration	100
		Total FY 83	500
82	NAS S. Weymouth, MA	Vehicle Exhaust System	60
82	NAS Glenview, IL	Water Dist. System	88
82	NAS New Orleans, LA	Line Vehicle Parking	52
82	NAS S. Weymouth, MA	Fire Protect. Bldg 76	135
82	NAS S. Weymouth, MA	Building Addn.	164
82	NMCRC Floyd Bennett, NY	Wharf Utilities Addn.	140
82	NAS Dallas, TX	Magazine Construction	175
82	NAS Willow Grove, PA	Ordnance Assemb. Area	128
82	NMCRC Tacoma, WA	Boiler Heating Plant	170
82	NRC Harlingen, TX	Purchase RESCEN	111
82	NAS Atlanta, GA	HVAC Mods	140
82	NAF Washington, DC	RF-8G Trng. Building	137
		Total FY 82	1,500

BACKLOG

Question: Last year the Department reported that the backlog for all Guard and Reserve components was $2.7 billion. What is the projected backlog this year?

Answer: The backlog of required construction for the Navy and Marine Corps Reserve, projected to the beginning of FY 1984, is $441 million.

BACKLOG ACCELERATION

Question: Please provide for the record a list from each component, which outlines projects in the FY 1985 program which could be accelerated in FY 1984 for West Virginia and Mississippi. Please provide the committee with 1391's for these projects.

Answer: On 24 March 1983 the Secretary of the Navy approved the new construction option to construct a new Reserve Center at Moundsville, West Virginia to replace the Reserve Center at Wheeling. While design is at zero percent, a site had been previously identified and it is felt that the design could be completed in late FY 1984. The present cost estimate is $2.9 million. The Naval Reserve, however, does have other projects sufficiently advance in design which can be executed in FY 1984. The below list outlines those projects and the Naval Reserve priority:

Priority	Location	Description	Cost ($000)	% Design
1	NAS S. Weymouth, MA	Resurface Runways	2,800(1)	35
2	NMCRC San Antonio, TX	RESCEN	4,750(1)	35
3	NAS Dallas, TX	Air Traf Control	250	35
4	NAS Willow Grove, PA	Acft Appr Light	250	100
5	NAS Willow Grove, PA	Hgr Fire Prot	300	100
6	NSA New Orleans, LA	Chill Water	220	100

7	MCRC Camp Edwards, MA	Combat Veh Maint Shop	200	100
8	NMCRC Miami, FL	RESCEN	6,400	5
9	NMCRC Charlotte, NC	Land Acquisition	280	N/A
10	NRCs Oshkosh/Sheboygan, WI	RESCEN Acq. W/Land	730	N/A
11	Various Locations	Minor Construction	500	Varies
12	NAS Dallas, TX	Chapel	1,500	100

(1) Reprogramming action is being forwarded requesting approval to use FY 1982 and FY 1983 savings to fund these two urgent projects.

1. COMPONENT NMCR	FY 19___ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 24 FEB 1983

3. INSTALLATION AND LOCATION NAVAL AIR STATION SOUTH WEYMOUTH, MA 02190	4. PROJECT TITLE RESURFACE RUNWAYS 26-8 AND 17-35

5. PROGRAM ELEMENT 5 51 96N	6. CATEGORY CODE 111-10	7. PROJECT NUMBER P-169	8. PROJECT COST ($000) $2,800

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
REPAIRS TO RUNWAYS 17-35 AND 26-08	LS			2519
CRACKS AND FISSURES	LS			(287)
TACK COAT	SY	256,000	.20	(51)
MEMBRANE	SY	256,000	1.25	(320)
3 WEARING SURFACE	SY	256,000	6.25	(1818)
STRIPING	LS	18,000	.15	(3)
TRANSITIONS	EA	10	4.00	(40)
SUBTOTAL				2519
CONTINGENCY AT 5%				126
TOTAL CONTRACT COST				2645
SUPERVISION, INSPECTION, OVERHEAD AT 5.5%				145
TOTAL REQUEST				2790
TOTAL REQUEST ROUNDED				2800

10. DESCRIPTION OF PROPOSED CONSTRUCTION

PROJECT WILL FILL EXISTING CRACKS AND FISSURES, PLACE NEW REINFORCING FABRIC MEMBRANE, FINISH WITH NEW 3" (MINIMUM THICKNESS) OVERLAY.

11. REQUIREMENT: 302,222 SY, ADEQUATE: 0 SY; SUB-STANDARD 256,000

PROJECT: THIS PROJECT WILL PROVIDE ADEQUATE RUNWAYS.

REQUIREMENT: PROJECT ESSENTIAL FOR THE SUPPORT OF THE STATION'S PRIMARY OPERATIONAL AND AVIATION TRAINING MISSION.

CURRENT STATUS: EXISTING RUNWAY PAVEMENT IS 28 YEARS OLD. THE PAVEMENT HAS RECEIVED PERIODIC MAINTENANCE AND OTHER REPAIRS; HOWEVER, IT IS STRUCTURALLY INADEQUATE FOR SUPPORTING P-3 AIRCRAFT BASED AT SOUTH WEYMOUTH AND OTHER HEAVY MULTI-ENGINE JET AIRCRAFT TRANSITING THE STATION. PAVEMENT OVERSTRESSING, COMBINED WITH THE HARSH NORTHEASTERN WEATHER HAS ACCELERATED PAVEMENT DEGRADATION. CURRENT CONDITIONS REFLECT SERIOUS SURFACE DEFORMATION, ALLIGATOR PATTERN CRACKING, AGGREGATE RAVELLING AND HIGH SURFACE WATER INFILTRATION. NUMEROUS TRANSVERSE THERMAL CRACKS, FROM 1" TO 4" IN WIDTH, AGGRAVATE THE INFILTRATION PROBLEM AND POSE A SERIOUS THREAT TO STABILITY OF SUBGRADE. THE PAVEMENT IS WELL BEYOND THE PATCHING AND SEALING STAGE AND THE STATION IS NO LONGER CAPABLE OF CONTROLLING LOOSE AGGREGATE THROUGH SURFACE TREATMENT AND CONTINUAL SWEEPING. IMMEDIATE ACCOMPLISHMENT OF THIS PROJECT IS NECESSARY TO ENSURE SAFETY OF FLIGHT AND RETENTION OF RUNWAYS IN SERVICE BEYOND FY 1983.

1. COMPONENT NMCR	FY 19___MILITARY CONSTRUCTION PROJECT DATA	2. DATE 24 FEB 83
3. INSTALLATION AND LOCATION NAVAL AIR STATION SOUTH WEYMOUTH, MA 02190		
4. PROJECT TITLE RESURFACE RUNWAYS 26-8 AND 17-35		5. PROJECT NUMBER P-169

11. REQUIREMENT (CONTINUED):

IMPACT IF NOT PROVIDED: CURRENT PAVEMENT CONDITIONS ARE HAZARDOUS TO FLIGHT OPERATIONS AND JEOPARDIZE SAFETY OF CREWS. BASED ON CURRENT RATE OF DETERIORATION THE STATION WILL BE FORCED TO SECURE AIRCRAFT OPERATIONS BY LATE FY 1983 UNLESS THIS PROJECT IS ACCOMPLISHED DURING THE FORTHCOMING SUMMER CONSTRUCTION SEASON. IN ADDITION, FURTHER DELAY WILL LEAD TO ADDITIONAL REPAIR COSTS AND ULTIMATELY TOTAL REPLACEMENT ESTIMATED AT \$20.0M.

ADDITIONAL: ECONOMIC ANALYSIS HAS NOT BEEN PREPARED, AS THERE IS NO ALTERNATIVE TO MEET THIS OPERATIONAL REQUIREMENT.

1. COMPONENT		2. DATE
N&MCR	FY 19 .MILITARY CONSTRUCTION PROJECT DATA	1 JAN 83

3. INSTALLATION AND LOCATION	4. PROJECT TITLE
NAVAL AND MARINE CORPS RESERVE CENTER FT. SAM HOUSTON, SAN ANTONIO, TX	RESERVE TRAINING BUILDING

5. PROGRAM ELEMENT	6. CATEGORY CODE	7. PROJECT NUMBER	8. PROJECT COST ($000)
5 50 96 N	171-15	P-062	$4,750

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
PRIMARY FACILITY	SF	54,271	80.69	4,377
RESERVE TRAINING BUILDING	SF	48,797	80.00	(3,904)
VEHICLE MAINTENANCE BUILDING	LS	2,324	95.00	(221)
PERSONNEL SUPPORT OFFICE	SF	3,150	80.00	(252)
SUPPORTING FACILITY				395
SITE PREPARATION	LS			(40)
PARKING & SIDEWALKS	SY	12,450	21.00	(260)
UTILITIES	LS			(95)
SUB-TOTAL				4,772
CONTINGENCY @ 5%				239
TOTAL CONTRACT COST				5,011
SUPERVISION INSPECTION & OVERHEAD AT 5.5%				276
TOTAL REQUEST				5,287
FAIR MARKET VALUE EXISTING RESERVE CENTER				550
TOTAL REQUEST ADJUSTED				4,737
TOTAL REQUEST (ROUNDED)				4,750

10. DESCRIPTION OF PROPOSED CONSTRUCTION

A SPECIFICALLY DESIGNED FACILITY OF STEEL FRAME AND MASONRY EXTERIOR LOAD BEARING WALLS. CONCRETE BLOCK UNITS, BRICK EXTERIOR AND INTERIOR WALLS. CONCRET FLOORS AND BUILT UP ROOFS. A TWO STORY TRAINING BUILDING WITH MECHANICAL AND ELECTRICAL EQUIPMENT AND A ONE STORY VEHICLE MAINTENANCE BUILDING. AIR CONDITIONING OF 100 TONS.

11. REQUIREMENT: 52,150 SF. ADEQUATE: 0 INADEQUATE: 90,849 SF.

PROJECT: THIS PROJECT WILL PROVIDE TRAINING FACILITIES FOR NAVY AND MARINE CORPS RESERVISTS.

REQUIREMENT: ADEQUATE FACILITIES ARE REQUIRED FOR TRAINING 500 NAVAL RESERVISTS AND 300 MARINE CORPS RESERVISTS.

CURRENT SITUATION: SAN ANTONIO'S NAVAL AND MARINE CORPS RESERVE CENTER IS LOCATED IN A BUILDING THAT WILL BE SOLD TO THE CITY OF SAN ANTONIO, TX, AS AUTHORIZED BY THE FY 1982 AUTHORIZATION BILL FOR MILITARY CONSTRUCTION. PRESENT CENTER REQUIRES EXTENSIVE REHABILITATION AND POSESSES INSUFFICIENT PARKING TO SERVICE EXISTING POPULATION.

IMPACT IF NOT PROVIDED: IF THESE FACILITIES ARE NOT PROVIDED, THE NAVAL RESERVE WILL CEASE TO EXIST IN THIS AREA, SINCE THERE ARE NO OTHER FACILITIES SUITABLE FOR RELOCATION. THE LACK OF TRAINING FACILITIES WILL HAVE A DIRECT IMPACT ON THE ABILITY OF UNITS TO BE MANNED AND PROPERLY TRAINED FOR MOBILIZATION.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS NOT BEEN PREPARED AS THERE IS NO ALTERNATIVE TO MEETING THIS OPERATIONAL REQUIREMENT.

1. COMPONENT N&MCR	FY 19 82 MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION NAVAL AIR STATION DALLAS, TX	4. PROJECT TITLE AIR TRAFFIC CONTROL FACILITY

5. PROGRAM ELEMENT 5 51 96 N	6. CATEGORY CODE 134-40	7. PROJECT NUMBER P-312	8. PROJECT COST ($000) 250

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
FOUNDATION FOR ASR-8 ANTENNA TOWER		140	97	14
ELECTRICAL DISTRIBUTION AND EMERGENCY GENERATOR TIE IN EQUIPMENT	LS	-	-	20
FOUNDATION FOR ASR-8 SHELTER MODULES	CY	72	400	29
PAVEMENT/ACCESS ROADS	SY	2,116	8.4	18
UNDERGROUND GROUND SITE PWR. COMMUNICATION CABLE (DUCT BANK CONDUIT)	LF	2,290	23.7	54
SITE PREP AND FENCING	LS	-	-	87
CABLE VAULT	SF	24	150	4
DEMOLISH EXISTING GCA TRACK	LS	-	-	2
SUBTOTAL				228
CONTINGENCY AT 5.0%				11
TOTAL CONTRACT COST				239
SUPERVISION, INSPECTION, AND OVERHEAD AT 5.5%				13
TOTAL REQUEST				252
TOTAL REQUEST (ROUNDED)				250

10. DESCRIPTION OF PROPOSED CONSTRUCTION

THIS PROJECT WILL CONSTRUCT FOUNDATIONS FOR THE ASR-8 ANTENNA AND THE ASSOCIATED SHELTERS. UNDERGROUND COMMUNICATIONS CABLES ARE REQUIRED TO PROVIDE REMOTE CONTROL AND OPERATION AT THE CONTROL TOWER BUILDING 800. PAVEMENT AND ACCESS ROADS ARE REQUIRED TO THE ANTENNA SITE FOR MAINTENANCE AND OPERATION. A FENCE IS REQUIRED TO THE ANTENNA SITE FOR MAINTENANCE AND OPERATION. A FENCE IS REQUIRED FOR PERSONNEL SAFETY. AN EMERGENCY GENERATOR SYSTEM IS REQUIRED TO PERMIT CONTINED AIRFIELD OPERATIONS IN THE EVENT OF POWER OUTAGES.

11. PROJECT: TO PROVIDE MODERN AIR TRAFFIC RADAR CONTROL, AS DIRECTED TO MEET AIR CONTROL AND SAFETY OF FLIGHT STANDARDS, IN THE VERY BUSY DALLAS/FORT WORTH AIR TRAFFIC SECTOR.

REQUIREMENT: THE COMMISSIONING OF THE DALLAS-FT. WORTH REGIONAL AIRPORT HAS CAUSED INCREASED WORKLOAD AND EFFORTS FOR BOTH HR AND VHR OPERATIONS. APPROACH ZONES, PATTERNS, AND VECTORS FOR ALL METROPOLITAN AIRPORTS HAVE BECOME MORE STRINGENT. THE PRECISE AND TIMELY CONTROL REQUIRED EXCEEDS THE CAPABILITIES OF PRESENT EQUIPMENT. THE ASR-8 WILL PROVIDE AIRPORT SURVEILLANCE OF AIRCRAFT WITHIN 60 NAUTICAL MILES OF THE AIRPORT. THE PAR WILL PROVIDE PRECISION APPROACH RADAR GUIDANCE ON FINAL APPROACHES FOR LANDINGS.

CURRENT SITUATION: GROUND CONTROL APPROACH VANS ARE LOCATED BESIDE THE RUNWAYS WHICH CREATES A HAZARD TO AIRCRAFT AND TO THE AIR TRAFFIC CONTROLLER IN THE VANS FROM AIRCRAFT. THE EXISTING EQUIPMENT CANNOT MEET THE PRECISE AND TIMELY CONTROL NEEDED FOR AIRCRAFT FLIGHT SAFETY.

IMPACT IS NOT PROVIDED: IF NO ACTION IS TAKED THE POSSIBILITY OF AN AIRCRAFT MISHAP IS INCREASED.

ALTERNATIVE: AN ECONOMIC ANALYSIS HAS NOT BEEN PREPARED AS THERE IS NO ALTERNATIVE TO MEET THIS OPERATIONAL REQUIREMENT.

1. COMPONENT N&MCR	FY 19___ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION NAVAL AIR STATION WILLOW GROVE, PENNSYLVANIA	4. PROJECT TITLE AIRCRAFT APPROACH LIGHTING

5. PROGRAM ELEMENT 5 51 96 N	6. CATEGORY CODE 136-10	7. PROJECT NUMBER P-170	8. PROJECT COST ($000) 250

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
APPROACH LIGHTING SYSTEM	LF	1,500		220
SUBTOTAL				220
CONTINGENCY AT 5%				11
TOTAL CONTRACT COST				231
SUPERVISION, INSPECTION & OVERHEAD AT 5.5%	LS	-	-	13
TOTAL REQUEST				244
TOTAL REQUEST ROUNDED				250

10. DESCRIPTION OF PROPOSED CONSTRUCTION

PROJECT: AIRCRAFT APPROACH LIGHTING SYSTEM WITH SEQUENCED FLASHING LIGHTS, CATEGORY 1 (ALS/SFL CAT 1) (33) SOUTHEND RUNWAY.

REQUIREMENTS: RUNWAY 15/33 IS CONSIDERED A PRIMARY INSTRUMENT APPROACH RUNWAY, UTILIZED AS AN ALL WEATHER DAY-NIGHT RUNWAY. MISSION OF THE STATION IS THE TRAINING OF RESERVE UNITS OF THE NAVY, MARINES, AIR FORCE, PENNSYLVANIA ANG AND ARMY. NORTH (15) END OF THIS RUNWAY HAS (ALS/SFL, CAT II SYSTEM INSTALLED). THE STATION HAS 550 INSTRUMENT LANDINGS PER YEAR ON THIS END OF RUNWAY.

CURRENT SITUATION: AT THIS TIME THERE IS NO EXTENDED CENTER LINE APPROACH TO THE SOUTH (33) END OF RUNWAY 15/33 FOR NAS, WILLOW GROVE.

IMPACT IF NOT PROVIDED: CONTINUED OPERATION WITHOUT ADEQUATE LANDING GUIDANCE LIGHTING FOR THE APPROACH TO THE SOUTH (33) END OF PRIMARY RUNWAY AND A NO OPERATIONAL REQUIREEMNT DURING PERIODS OF LOW VISIBILITY.

CONSTRUCTION: WILL CONSIST OF BARRETTES OF WHITE LIGHTS AND SEQUENCE FLASHING STROBE LIGHTS PERPENDICULAR TO THE EXTENDED RUNWAY CENTER LINE AT 100 FT. INTERVALS FOR A DISTANCE OF 1,500 LF. NAVFAC P272 AND NAVFAC DM-23 PROVIDE THE DESIGN CRITERIA. AS REQUIRED BY GRADE CONTOUR THE SETS SHALL BE SURFACE MOUNTED ON CONCRETE OR ELEVATED AS REQUIED ON METAL TOWERS TO PROVIDE NECESSARY UNITS.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS NOT BEEN PREPARED AS THERE IS NO ALTERNATIVE TO MEET THIS OPERATIONAL REQUIREMENT.

1. COMPONENT N&MCR	FY 19___ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION NAVAL AIR STATION WILLOW GROVE, PENNSYLVANIA	4. PROJECT TITLE HANGAR FIRE PROTECTION

5. PROGRAM ELEMENT 5 51 96 N	6. CATEGORY CODE 141-25	7. PROJECT NUMBER P-153	8. PROJECT COST ($000) 300

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
HANGAR FIRE PROTECTION SYSTEM	LS	-	-	166.2
WATER SUPPLY PIPE (14")	LF	550	54.90	(30.2)
FOAM SUPPLY PIPE (6")	LF	1,300	16.10	(21.0)
BACKFLOW PREVENTERS (IN PITS)	EA	2	15,000	(30.0)
HANGAR INTERNAL PIPING	LS	-	-	(15.0)
HANGAR VALVES	LS	-	LS	(31.0)
MONITORS	EA	4	6,750	(27.0)
HOSE REELS	EA	4	3,000	(12.0)
SUPPORT FACILITIES				97.5
EXCAVATIONS AND BACKFILL	CY	1,550	12.25	(19.5)
REPAVE/RESEED	SF	7,800	6.47	(50.5)
PAVEMENT DEMOLITION AND REMOVAL	SF	7,800	3.60	(28.0)
SUBTOTAL				263.7
CONTINGENCY AT 5%				13.2
SUBTOTAL				276.9
SUPERVISION, INSPECTION & OVERHEAD AT 5.5%				15.2
TOTAL REQUEST				292.1
TOTAL REQUEST ROUNDED				300.0

10. DESCRIPTION OF PROPOSED CONSTRUCTION

PROVIDE A 14 INCH FIRE WATER LINE CONNECTION BETWEEN HANGAR #175 AND HANGAR #80, AND A 6 INCH FIRE FOAM LINE AND DISTRIBUTION LINE WITH MANUALLY ACTIVATED SUPPLEMENTARY FOAM SYSTEM CONSISTING OF (4) 500 GPM OSCILLATING NOZZLES.

11. PROJECT: THE PROJECT IS REQUIRED TO INSURE ADEQUATE FIRE PROTECTION FOR STRUCTURES, AIRCRAFT, AND PERSONNEL.

REQUIREMENT: MODIFY EXISTING FIRE PROTECTION SYSTEM IN HANGAR OF BLDG. #80 AND #175 TO PROVIDE ADEQUATE FIRE PROTECTION (PROVIDE A MINIMUM WATER/FOAM APPLICATION RATE OF 0.16 GPM/SF).

CURRENT SITUATION: THE SPRINKLER SYSTEM IN BOTH HANGARS DOES NOT PROVIDE AN ADEQUATE WATER SUPPLY FOR FIRE PROTECTION.

IMPACT IF NOT PROVIDED: CONTINUED HIGH RISK TO PERSONNEL AND AIRCRAFT WILL PERSIST.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS NOT BEEN PREPARED AS THERE IS NO ALTERNATIVE TO MEETING THIS REQUIREMENT.

1. COMPONENT N&MCR	FY 19__ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION NAVAL SUPPORT ACTIVITY NEW ORLEANS, LA	4. PROJECT TITLE CHILLED WATER LOOP

5. PROGRAM ELEMENT 5 50 96 N	6. CATEGORY CODE 826-40	7. PROJECT NUMBER P-080	8. PROJECT COST ($000) 220

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
CHILLED WATER LOOP FOR BUILDING 603 CHILLERS	LS	-	LS	196.6
PIPES, FITTINGS, VALVES, STRAINERS, HGRS, SUPPORTS, SADDLES, SLEEVES, SPECIALTIES,ETC	LS	-	LS	(112.7)
PUMPS AND EQUIPMENT INSULATION	LS	-	LS	(25.3)
ROOF WORK AND PAINTING	LS	-	LS	(12.3)
ELECTRICAL	LS	-	LS	(26.7)
TEST AND BALANCE	LS	-	LS	(6.2)
RIGGING (EQUIPMENT RENTAL)	LS	-	LS	(4.3)
DEMOLITION AND REMOVAL	LS	-	LS	(9.1)
SUBTOTAL				196.6
CONTINGENCY AT 5%				10.0
TOTAL CONTRACT COST				206.6
SUPERVISION, INSPECTION AND OVERHEAD AT 5.5%				11.4
TOTAL REQUEST				218.0
TOTAL REQUEST ROUNDED				220.0

10. DESCRIPTION OF PROPOSED CONSTRUCTION

PROJECT WILL TIE TOGETHER FOUR SEPARATE CHILLER UNITS, 2-75 TON TRANE AIR COOLED UNITS SERVING SECTIONS 2A & B, 1-460 TON WESTINGHOUSE CENTRIFUGAL WATER COOLED UNIT SERVICE SECTIONS 3B & C, 4A, B & C AND 5A, B & C, 2-50 TON WEBSTER AIR COOLED UNITS SERVING SECTION 6A AND 1-135 TON CARRIER CENTRIFUGAL WATER COOLED UNIT SERVING SECTIONS 6B & C.

11. REQUIREMENT: N/A ADEQUATE: N/A SUBSTANDARD: N/A

PROJECT: THE PROPOSED PROJECT WILL TIE TOGETHER FOUR SEPARATE CHILLER UNITS TO PROVIDE A MORE EFFICIENT AND ECONOMICAL OPERATION OF SEVERAL AIR CONDITIONING SYSTEMS IN BUILDING 603. THIS PROPOSAL WILL REDUCE OPERATING COST AND ENERGY UTILIZATION.

REQUIREMENT: THIS PROPOSAL WILL REDUCE ENERGY CONSUMPTION AND WOULD PERMIT THE OPERATION OF ALL SEGMENTS OF THE FOUR SYSTEMS DEPENDING ON DEMAND, TEMPERATURE AND OPERATIONAL CONDITIONS. A MAJOR PART OF THE TIME, THE 460 TON AND THE 135 TON UNITS WOULD BE ADEQUATE FOR COOLING THE AREAS INDICATED. DURING MILD PERIODS OR SHOULD ONE OR BOTH OF THE LARGER SYSTEMS BREAK DOWN, THE 2-75 AND 2-50 TON UNIS WILL PROVIDE ADEQUATE COOLING. IT IS ANTICIPATED THAT THE USE OF THE TOTAL SYSTEM WOULD SELDOM BE REQUIRED.

CURRENT SITUATION: AS STATED ABOVE THE EXISTING SYSTEM CONSISTS OF FOUR SEPARATE CHILLERS. THESE UNITS RUN CONTINUOUSLY DURING A MAJOR PORTION OF THIS YEAR AND BREAKDOWNS, COOL WEATHER, ECONOMY OF OPERATIONS WERE NOT AREAS OF CONSIDERATION WITHIN THE ORIGINAL DESIGN. DUE TO THE CRITERIA OPERATIONAL REQUIREMENT OF THIS EQUIPMENT, IT IS PROPOSED TO ALTER THE SYSTEMS AND PROVIDE ECONOMY AND OPERATIONAL FLEXIBILITY AS OUTLINED ABOVE.

IMPACT IF NOT PROVIDED: IF THIS PROJECT IS NOT INITIATED, OPERATIONS WILL

1 COMPONENT N&MCR	FY 19__ GUARD AND RESERVE MILITARY CONSTRUCTION	2 DATE 1 JAN 83
3 INSTALLATION AND LOCATION NAVAL SUPPORT ACTIVITY NEW ORLEANS, LA		

BLOCK 11 CON'T:
CONTINUE AS THEY ARE NOW. FOUR INDEPENDENT CHILLERS WILL CONTINUE TO BE UTILIZED WITHOUT THE CAPABILITY OF SAVINGS OF OPERATIONS THAT WOULD BE REALIZED BY CONSOLIDATION OF THE UNITS. INVESTIGATION HAS INDICATED THAT WITH THIS PROJECT TOTAL USE OF THE FOUR CHILLER UNITS WOULD SELDOM BE REQUIRED. IN ADDITION, BREAKDOWNS WOULD NOT MEAN THE LOSS OF COOLING OPERATIONS; BY THE USE OF PUMPS AND CONTROLS THE FAILED SYSTEMS COULD BE MERGED INTO THE REMAINING CHILLERS THEREBY ENSURING CONTINOUS SERVICE WHILE REPAIRS ARE MADE.

THIS PROJECT BECAUSE OF THE ANTICIPATED OPERATIONS SAVINGS WAS CONSIDERED FOR THE ETAP AND ECIP PROGRAMS. HOWEVER, BECAUSE OF PROGRAM COST LIMITATIONS OR OTHER CRITERIA IT COULD NOT QUALIFY. THIS PROJECT IS ESTIMATED TO PROVIDE AN OPERATIONAL SAVINGS OF 2307 MBTU/HR. AND WILL HAVE A PAYBACK PERIOD OF APPROXIMATELY 12 YEARS.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS BEEN PREPARED ON THIS PROJECT AND WILL PROVIDE OPERATIONAL SAVINGS OF 2,307 MBTU/HR AND HAVE A 12 YEAR PAYBACK.

1. COMPONENT N&MCR	FY 19__ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION MARINE CORPS RESERVE CENTER CAMP EDWARDS, MA	4. PROJECT TITLE COMBAT VEHICLE MAINTENANCE SHOP

5. PROGRAM ELEMENT 5 50 96 N	6. CATEGORY CODE 214-10	7. PROJECT NUMBER P-882	8. PROJECT COST ($000) 200

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
COMBAT VEHICLE MAINT BLDG	SF	1,424	80.5	114.6
SUPPORTING FACILITIES				71.0
SITE IMPROVEMENT, GRADING, PAVING, PARKING	LS			(27.0)
ELECTRICAL	LS			(9.0)
MECHANICAL	LS			(12.0)
SANITATION	LS			(6.0)
SECURITY FENCE	LS			(17.0)
SUBTOTAL				185.6
CONTINGENCY (15%)				9.0
TOTAL CONTRACT COST				194.6
SUPERVISION, INSPECTION, & OVERHEAD @ 5.5%				10.7
TOTAL REQUEST				205.3
TOTAL REQUEST (ROUNDED)				200.0

10. DESCRIPTION OF PROPOSED CONSTRUCTION

CONSTRUCT A TYPE "B" COMBAT VEHICLE MAINTENANCE SHOP AT THE SITE OF THE MARINE CORPS RESERVE CENTER, CAMP EDWARDS, MA. FACILITY TO BE OF PRE-ENGINEERED STEEL FRAME STRUCTURE AND SIDING, ROOF, ETC. WITH CONTINUOUS REINFORCED CONCRETE FOOTING AND SLAB; STEEL CAGING AND CAGE DOOR; STEEL OVERHEAD ROLL-UP DOORS; HOLLOW METAL DOORS AND FRAMES; REQUIRED ELECTRIC FOR LIGHT, POWER, AND EQUIPMENT; NORMAL PLUMBING WITH HIGH PRESURE HOSES; HEATING; REQUIRED VENTILATION; AIR HOSES AND FLAMMABLE STORAGE INCLUDES TOTAL REQUIREMENTS FOR VEHICLE MAINTENANCE SUPPORT.

11. REQUIREMENTS: AN ADEQUATE VEHICLE MAINTENANCE FACILITY IS REQUIRED TO KEEP VEHICULAR EQUIPMENT ASSIGNMENT TO THE MARINE CORPS RESERVE UNIT IN OPERATION TO SUPPORT UNIT TRAINING AND TO MAINTAIN A HIGH DEGREE OF COMBAT READINESS.

CURRENT SITUATION: THE MARINE CORPS RESERVE UNIT HAS 20 WHEELED VEHICLES ASSIGNED TO SUPPORT TRAINING AND MOBILIZATION REQUIREMENTS. THERE ARE NO MAINTENANCE FACILITIES AVAILABLE AT THE SITE OF THE MARINE CORPS RESERVE CENTER TO SUPPORT THIS EQUIPMENT. VEHICLE MAINTENANCE IS CURRENTLY BEING PERFORMED IN AN OPEN AREA WITHOUT ANY PROTECTION FROM THE ELEMENTS. SCHEDULED MAINTENANCE MUST OFTEN BE DEFERRED DUE TO PERIODS OF INCLEMENT WEATHER.

IMPACT IF NOT PROVIDED. EQUIPMENT MAINTENANCE WILL CONTINUE TO BE PERFORMED WITHOUT ADEQUATE FACILITY. THIS SITUATION PREVENTS THE MOST EFFECTIVE USE OF BOTH MANPOWER AND EQUIPMENT AND COULD ADVERSELY AFFECT THE TRAINING AND MOBILIZATION READINESS OF THE MARINE CORPS RESERVE UNIT.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS NOT BEEN PREPARED AS THERE IS NO ALTERNATIVES TO MEET THIS OPERATIONAL REQUIREMENT.

1. COMPONENT N&MCR	FY 19___ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 MAR 82

3. INSTALLATION AND LOCATION NAVAL & MARINE CORPS RESERVE CENTER MIAMI, FLORIDA	4. PROJECT TITLE RESERVE TRAINING BUILDING

5. PROGRAM ELEMENT 5 50 96 N	6. CATEGORY CODE 171-15	7. PROJECT NUMBER P-228	8. PROJECT COST ($000) 6,400

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
RESERVE TRAINING CENTER	SF	52,558	94.0	4,940
RESERVE TRAINING BUILDING	SF	49,518	94.0	(4,654)
VEHICLE MAINTENANCE FACILITY	SF	3,040	94.0	(286)
SUPPORTING FACILITIES				826
DEMOLITION	LS			(60)
SPECIAL FOUNDATIONS	LS			(124)
SECURITY FENCING	LS			(35)
ROADS, SIDEWALKS & PARKING	LS			(250)
ELECTRICAL UTILITIES	LS			(132)
MECHANICAL UTILITIES	LS			(160)
SITE IMPROVEMENTS	LS			(65)
SUBTOTAL				5,766
CONTINGENCY AT 5%				288
TOTAL CONTRACT COST				6,054
SUPERVISOR INSPECTION & OVERHEAD AT 5.5%				333
TOTAL REQUEST				6,387
TOTAL REQUEST (ROUNDED)				6,400

10. DESCRIPTION OF PROPOSED CONSTRUCTION

STEEL FRAME BUILDINGS WITH MASONRY LOAD BEARING WALLS AND PARTITIONS, CONCRETE FLOORS AND BUILT-UP ROOFING. GARAGE, LIBRARY, OFFICES, CLASSROOMS, TOLIETS, CONFERENCE ROOM, STORAGE, MEDICAL AREA, ASSEMBLY HALL, RIFLE RANGE, VEHICLE MAINTENANCE SHOP, AIR CONDITIONING - 130 TONS.

11. REQUIREMENT: 52,558 SF, INADEQUATE 28,604 SF SUBSTANDARE 0 SF

PROJECT: CONSTRUCT RESERVE TRAINING BUILDING.

REQUIREMENT: PROVIDE ADEQUATE SPACE TO CONDUCT TRAINING, RECRUITING, AND ADMINISTRATION OF PERSONNEL AND UNITS OF THE NAVAL AND MARINE CORPS RESERVE.

CURRENT SITUATION: CONSOLIDATED FACILITY IS TO REPLACE BOTH THE NAVAL AND MARINE CORPS RESERVE CENTERS AT MIAMI, FLORIDA. THE EXISTING NAVY RESERVE CENTER IS LOCATED ON 3.27 ACRES IN A RESIDENTIAL AREA IN BUILDINGS CONSTRUCTED IN 1939 AND 1945. THE LAND AVAILABLE AT THIS SITE PRECLUDES BOTH THE EXPANSION OF THE CENTER OR ACCOMODATION OF MARINE CORPS IN A CONSOLIDATED CENTER. AGE OF STRUCTURES AND TROPICAL CLIMATE HAS HELPED CREATE AN EXCESSIVE MAINTENANCE BACKLOG. MARINE CORPS RESERVE CENTER CONSISTS OF 3 PERMANENT BUILDINGS, BUILT IN 1956, LOCATED ON 7.5 ACRES. IT IS SITUATED IN A HIGH CRIME AREA CREATING SERIOUS SECURITY PROBLEMS AND 24 HOUR ARMED GUARD PATROL.

IMPACT IF NOT PROVIDED: SECURITY PROBLEMS WILL CONTINUE AT MARINE CORPS CENTER AND INEFFICIENT, OUT-DATED, AND INADEQUATE FACILITIES WILL EXIST AT NAVAL RESERVE CENTER RESULTING IN THE DEGRADATION OF TRAINING, MORALE, AND NAVY AND MARINE CORPS IMAGE AND RISING MAINTENANCE COSTS AT THESE CENTERS.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS NOT BEEN PREPARED AS THERE IS NO ALTERNATIVE TO MEETING THIS OPERATIONAL REQUIREMENT.

1. COMPONENT N&MCR	FY 19__ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION NAVAL AND MARINE CORPS RESERVE CENTER CHARLOTTE, NORTH CAROLINA	4. PROJECT TITLE LAND ACQUISITION

5. PROGRAM ELEMENT 5 50 96 N	6. CATEGORY CODE 911-10	7. PROJECT NUMBER P-314	8. PROJECT COST ($000) 280

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
LAND ACQUISITION	AC	7	35,000	245
CONTINGENCY AT 5%				13
TOTAL CONTRACT COST				258
SUPERVISION, INSPECTION & OVERHEAD 5%				14
TOTAL REQUEST				272
TOTAL REQUEST ROUNDED				280

10. DESCRIPTION OF PROPOSED CONSTRUCTION

PURCHASE FEE TITLE TO APPROXIMATELY 7 ACRES OF LAND FOR THE CONSTRUCTION OF A NAVAL AND MARINE CORPS RESERVE CENTER (P-232).

11. REQUIREMENT: A SITE SELECTION TEAM FROM SOUTHERN DIVISION, NAVAL FACILITIES ENGINEERING COMMAND HAS RECOMMENDED ACQUISITION OF A TRACT OF LAND AT THE INTERSECTION OF W. T. HARRIS BOULEVARD AND TECHNOLOGY ROAD IN CHARLOTTE, NORTH CAROLINA FOR THE LOCATION OF A NEW NAVAL AND MARINE CORPS RESERVE CENTER. EARLY PROCUREMENT OF THIS TRACT IS NECESSARY SINCE THE WILLINGNESS OF THE CURRENT OWNER TO HOLD THIS COMMERICALLY VALUABLE PIECE OF PROPERTY OFF THE MARKET FOR ACQUISITION BY THE DEPARTMENT OF THE NAVY AT SOME FUTURE DATE IS DOUBTFUL.

CURRENT SITUATION: THE NAVAL AND MARINE CORPS RESERVE CENTER IS PRESENTLY LOCATED IN A VERY UNDESIREABLE LOCATION WITH VIRTUALLY NO PARKING. ROAD PATROLS ARE PRESENTLY REQUIRED DURING DRILLING PERIODS TO PREVENT VANDALISM AND THEFT OF DRILLING RESERVISTS' VEHICLES. ADDITIONALLY, THE PRESENT THIRTY-YEAR OLD FACILITY IS DETERIORATED AND POORLY CONFIGURED TO MEET TRAINING REQUIREMENTS.

IMPACT IF NOT PROVIDED: SINCE DESIGN FOR THE NEW NAVAL AND MARINE CORPS RESERVE CENTER CANNOT BE INITIATED WITHOUT A SITE, DEFERMENT OF THIS LAND ACQUISITION WILL DELAY THE COMPLETION OF THE CONSTRUCTION OF THE NEW RESERVE CENTER AND EXTEND THE TIME THAT THE PRESENT INADEQUATE RESERVE CENTER WOULD BE REQUIRED TO REMAIN IN OPERATION. ALSO, THIS RECOMMENDED SITE MAY NOT BE AVAILABLE WHEN FUNDS ARE ALLOCATED IN A FUTURE FISCAL YEAR.

1 COMPONENT
N&MCR

FY 19__ GUARD AND RESERVE
MILITARY CONSTRUCTION

2 DATE
1 JAN 83

3 INSTALLATION AND LOCATION
NAVAL AND MARINE CORPS RESERVE CENTER
CHARLOTTE, NORTH CAROLINA

BLOCK 11 CON'T:

SPECIAL CONSIDERATIONS:

A. POLLUTION PREVENTION, ABATEMENT & CONTROL: THIS PROJECT WILL NOT CAUSE ADDITIONAL AIR OR WATER POLLUTION.

B. FLOODPLAIN MANAGEMENT & PROTECTION OF WETLANDS: REQUIREMENTS OF EXECUTIVE ORDER NO. 11988 (FLOODPLAIN MANAGEMENT) AND EXECUTIVE ORDER NO. 11990 (PROTECTION OF WETLANDS) ARE NOT APPLICABLE.

C. COSTAL ZONE MANAGEMENT: IN ACCORDANCE WITH THE FEDERAL COASTAL ZONE MANAGEMENT ACT OF 1972 (AS AMENDED), THIS PROJECT WILL NOT DIRECTLY AFFECT THE COASTAL ZONE AND COASTAL CONSISTENCY DETERMINATION IS NOT REQUIRED.

D. ENVIRONMENTAL IMPACT: A PRELIMINARY ENVIRONMENTAL ASSESSMENT HAS BEEN MADE AND IT HAS BEEN DETERMINED THAT THE PROPOSED PROJECT WILL NOT HAVE A SIGNIFICANT IMPACT ON THE ENVIRONMENT NOR IS IT HIGHLY CONTROVERSIAL.

E. INTERGOVERNMENTAL COORDINATION: IN ACCORDANCE WITH OPNAVINST 11010.35, THIS PROJECT HAS BEEN REVIEWED WITH RESPECT TO OMB CIRCULAR A-95 REQUIREMENTS. IT HAS BEEN DETERMINED THAT THE PROJECT COULD IMPACT COMMUNITY PLANS OR PROGRAMS, AND THEREFORE, INTERGOVERNMENTAL COORDINATION IS REQUIRED.

F. FALLOUT SHELTER CONSTRUCTION: FALLOUT SHELTER EXCLUDED AS NO CONSTRUCTION OF ANY KIND IS CONTEMPLATED BY THIS PROJECT.

G. PRESERVATION OF HISTORICAL SITES & STRUCTURES: THE PROJECT DOES NOT DIRECTLY OR INDIRECTLY AFFECT A DISTRICT, SITE, BUILIDNG, STRUCTURE, OBJECT, OR SETTING WHICH IS LISTED IN, OR ELIGIBLE FOR LISTING IN, THE NATIONAL REGISTER OR OTHERWISE POSSESSES A SIGNIFICANT QUALITY OF AMERICAN HISTORY, ARCHAEOLOGY, ARCHITECTURE, OR CULTURE.

H. DESIGN OF ACCESSIBILITY OF PHYSICALLY HANDICAPPED PERSONNEL: SUCH REQUIREMENTS ARE NOT APPLICABLE TO THE PROJECT.

I. "NEW START" CRITERIA FOR COMMERICAL OR INDUSTRIAL ACTIVITIES PROGRAM: THE REQUIREMENTS OF OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-76 ARE NOT APPLICABLE TO THIS PROJECT

1. COMPONENT N&MCR	FY 19___ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION NAVAL RESERVE CENTER OSHKOSH, WISCONSIN	4. PROJECT TITLE ACQUISITION/ALTS/REPAIR RESERVE TRAINING BUILDING

5. PROGRAM ELEMENT 5 50 96 N	6. CATEGORY CODE 171-15	7. PROJECT NUMBER P-017	8. PROJECT COST ($000) 460

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
RESERVE TRAINING BUILDING	LS	-	-	421
BUILDING AND 2.0 AC LAND ACQUISITION	LS	-	-	(365)
ALTERATIONS/REPAIRS	LS	-	-	(56)
SUBTOTAL				421
CONTINGENCY AT 5%				21
TOTAL CONTRACT COST				442
SUPERVISION, INSPECTION & OVERHEAD 5.5%				24
TOTAL REQUEST				466
TOTAL REQUEST ROUNDED				460

10. DESCRIPTION OF PROPOSED CONSTRUCTION

THE EXISTING RESERVE CENTER BUILDING IS THE FORMER ADMINISTRATIVE CENTER OF THE BOARD OF EDUCATION, OSHKOSH, WISCONSIN. THE FACILITIES ARE LEASED WITH THE OPTION TO BUY FOR THE AGREED ORIGINAL PURCHASE PRICE OF $380,000. OF THE $45,000 PER YEAR RENTAL, $15,000 IS CREDITED TOWARD THE AGREED PURCHASE PRICE. THE LEASE/PURCHASE AGREEMENT BEGAN 1 JAN 1983.

11. REQUIREMENT: 13,717 SF ADEQUATE: 16,260 SF SUBSTANDARD: 0 SF

PROJECT: PURCHASES THE LEASED FACILITY AND PROVIDES ALTERATION AND REPAIR AS NEEDED TO MEET THE REQUIREMENTS FOR ADMINISTRATION AND TRAINING OF NAVAL RESERVE PERSONNEL FOR A 100-MAN CENTER.

REQUIREMENT: ACQUISITION OF THE FACILITY WILL TERMINATE THE LEASE/PURCHASE AGREEMENT AND PROVIDE THE NAVY WITH PERMENANT FACILITIES FOR EFFECTIVE RECRUITING, TRAINING AND ADMINISTRATION OF RESERVE PERSONNEL TO ENSURE THEIR READINESS FOR MOBILIZATION.

CURRENT SITUATION: THE EXISTING FACILITIES ARE BEING LEASED FROM THE OSHKOSH AREA SCHOOL DISTRICT AT $45,000 PER YEAR WITH $15,000 PER YEAR CREDITED TOWARD FUTURE PURCHASE.

IMPACT IF NOT PROVIDED: THE NAVY WILL CONTINUE TO LEASE THE FACILITIES UNTIL THE PRESENT LEASE/PURCHASE AGREEMENT IS TERMINATED AFTER WHICH THE NAVY MUST RELOCATE TO A NEW SITE AND CONSTRUCT A RESERVE TRAINING BUILDING AT ESTIMATED COST OF $1,500,000.

1. COMPONENT		2. DATE
N&MCR	**FY 19___ MILITARY CONSTRUCTION PROJECT DATA**	1 JAN 83

3. INSTALLATION AND LOCATION	4. PROJECT TITLE
NAVAL RESERVE CENTER SHEBOYGAN, WISCONSIN	ACQUISITION/ALTS/REPAIR RESERVE TRAINING BUILDING

5. PROGRAM ELEMENT	6. CATEGORY CODE	7. PROJECT NUMBER	8. PROJECT COST ($000)
5 50 96 N	171-15	P-063	270

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
RESERVE TRAINING BUILDING	LS	-	-	245
BUILDING AND 1.205 AC LAND ACQUISITION	LS	-	-	(190)
ALTERATIONS/REPAIR	LS			(55)
SUBTOTAL				245
CONTINGENCY AT 5%				12
TOTAL CONTRACT COST				257
SUPERVISION, INSPECTION & OVERHEAD 5.5%				14
TOTAL REQUEST				271
TOTAL REQUEST ROUNDED				270

10. DESCRIPTION OF PROPOSED CONSTRUCTION

THE EXISTING RESERVE CENTER BUILDING IS THE FORMER LINCOLN PRIMARY SCHOOL OF THE SHEBOYGAN AREA SCHOOL DISTRICT. THE FACILITIES ARE LEASED WITH THE OPTION TO BUY FOR THE AGREED ORIGINAL PURCHASE PRICE OF $195,000. OF THE $36,000 PER YEAR RENTAL, 15% OF IT IS CREDITED TOWARD THE AGREED PURCHASE PRICE. THE LEASE/PURCHASE AGREEMENT BEGAN 1 JAN 1983.

11. REQUIREMENT: 5289 SF ADEQUATE: 13618 SF SUBSTANDARD: 0 SF

PROJECT: PURCHASES THE LEASED FACILITY AND PROVIDES ALTERATION AND REPAIR AS NEEDED TO MEET THE REQUIREMENTS FOR ADMINISTRATION AND TRAINING OF NAVAL RESERVE PERSONNEL FOR A 60-MAN CENTER.

REQUIREMENT: ACQUISITION OF THE FACILITY WILL TERMINATE THE LEASE/PURCHASE AGREEMENT AND PROVIDE THE NAVY WITH PERMANENT FACILITIES FOR EFFECTIVE RECRUITING, TRAINING, AND ADMINISTRATION OF RESERVE PERSONNEL TO ENSURE THEIR READINESS FOR MOBILIZATION.

CURRENT SITUATION: THE EXISTING FACILITIES ARE BEING LEASED FROM THE SHEBOYGAN AREA SCHOOL DISTRICT AT $36,000 PER YEAR WITH $5400 PER YEAR CREDITED TOWARD FUTURE PURCHASE.

IMPACT IF NOT PROVIDED: THE NAVY WILL CONTINUE TO LEASE THE FACILITIES UNTIL THE PRESENT LEASE/PURCHASE AGREEMENT IS TERMINATED AFTER WHICH THE NAVY MUST RELOCATE TO A NEW SITE AND CONSTRUCT A RESERVE TRAINING BUILDING AT AN ESTIMATED COST OF $750,000.

1. COMPONENT N&MCR	FY 19__ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION VARIOUS LOCATIONS	4. PROJECT TITLE MINOR CONSTRUCTION

5. PROGRAM ELEMENT 5 50 96 N	6. CATEGORY CODE	7. PROJECT NUMBER	8. PROJECT COST ($000) 500

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
MINOR CONSTRUCTION	LS			500
TOTAL COST				500

10. DESCRIPTION OF PROPOSED CONSTRUCTION

THIS PROJECT PROPOSES FUNDING FOR: ACQUISITION, CONSTRUCTION, CONVERSION OR INSTALLATION OF MINOR ITEMS WITH COSTS UP TO $200,000.

11. REQUIREMENT:

FUNDS IN THE ABOVE AMOUNT ARE REQUIRED TO CARRY OUT CONTINUING PROVISIONS IN TITLE 10 USC 2233 AND 2233A AS:

MINOR CONSTRUCTION - RESERVE FORCES PROJECTS NOT EXCEEDING $200,000 IN COST WHICH ARE TO BE ACCOMPLISHED UNDER THE EXEMPTION PROVIDED BY SECTION 2233A(1), CHAPTER 133, 10

1. COMPONENT N&MCR	FY 19___ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION NAVAL AIR STATION, DALLAS, TEXAS	4. PROJECT TITLE CHAPEL AND EDUCATION WING

5. PROGRAM ELEMENT 5 51 96 N	6. CATEGORY CODE 730-83 730-84	7. PROJECT NUMBER P-144	8. PROJECT COST ($000) 1,500

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
CHAPEL (180 SEATS)	SF	6,026	128.94	777
EDUCATION	SF	3,470	121.90	423
SPECIAL FOUNDATION PIERS-CAST IN PLACE	LF	1,536	39.71	61
ELECTRICAL DISTRIBUTION (WITH TRANSFORMER)	LS	-	-	25
SANITARY SEWER WITH MANHOLE AND C.O.	LF	80	50.00	4
WATER DISTRIBUTION - VALVES, FIRE MAINS	LF	80	75.00	6
GAS DISTRIBUTION	LF	30	67.00	2
STORM SEWER	LF	100	30.00	3
PAVEMENT, CONCRETE & ASPHALTIC; SIDEWALKS	SY	1,700	19.00	32
CURBS AND GUTTERS	LF	1,000	18.00	18
SITE IMPROVEMENTS - LANDSCAPE	LS	-	-	15
DEMOLITION	SF	1,538	3.25	5
SUBTOTAL				1,371
CONTINGENCY AT 5%				69
TOTAL CONTRACT COST				1,440
SUPERVISION, INSPECTION AND OVERHEAD AT 5.5%				79
TOTAL REQUEST				1,519
TOTAL REQUEST ROUNDED				1,500

10. DESCRIPTION OF PROPOSED CONSTRUCTION

CONSTRUCTION ONE STORY CROSS SHAPED CHAPEL WITH LAMINATED WOOD ARCH FRAMES, EXTERIOR WALLS OF BRICK VENEER OVER CMU INNER WALLS, CONCRETE FLOOR, BEAM AND PIERS; AIR CONDITIONING (25 TONS); CHURCH FURNITURE AND DOSSALS; AND EDUCATION WING THE SAME, EXCEPT FOR FLAT ROOF. PARKING FOR 45 AUTOS, SIDEWALKS, AND LANDSCAPE.

11. REQUIREMENT: 9496 S.F. ADEQUATE: 0 S.F. INADEQUATE: 1538 S.F.

PROJECT: PROVIDES A NEW CHAPEL (180 SEAT) AND RELIGIONS EDUCATION WING.

REQUIREMENT: THE VALIDATED FACILITY PLANNING DOCUMENT (BFRL) OF JANUARY 1981 PROVIDES SCOPE REQUIREMENT, AND RECOMMENDS DISPOSAL OF THE EXISTING CHAPEL. IT IS THE CURRENT OBJECTIVE OF THE DOD AND NAVY DEPARTMENT TO PROVIDE MILITARY SUPPORT FACILITIES, SUCH AS THIS PROJECT, IN ORDER TO ATTAIN A "QUALITY OF LIFE" ENVIRONMENT, COMPARABLE TO FACILITIES OF THE CIVILIAN COMMUNITY.

CURRENT SITUATION: THE EXISTING CHAPEL, CONSTRUCTED OF WOOD IN 1949, IS IN IRREVERSIBLE STRUCTURAL DISTRESS, IS TOO SMALL AND PROVIDES NO RELIGIOUS EDUCATION WING, NOR OTHER REQUIRED SUPPORT SPACE. IT CANNOT BE MADE ADEQUATE, THEREFORE, IT SHOULD BE DEMOLISHED.

IMPACT IF NOT PROVIDED: DUE TO CURRENT DEFICIENCIES OF THE EXISTING FACILITY AND LACK OF A RELIGIOUS EDUCATION WING, MILITARY PERSONNEL ARE NOT PROVIDED THE RELIGIOUS ENVIRONMENT THEY DESERVE. THIS ADVERSELY IMPACTS THEIR MORALE AND CHARACTER DEVELOPMENT.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS NOT BEEN PREPARED AS THERE IS NO ALTERNATIVE FOR PROVIDING ADEQUATE RELIGIOUS FACILITIES ON BASE.

AWARDS

Question: How many Guard and Reserve projects were approved by Congress in FY 1982? How many 1982 projects have been awarded? How many 1983 projects have been awarded? What percentage of 1983 projects does this represent?

Answer: The Congress has approved 15 projects for execution in FY 1982. Presently 14 are now under construction or procurement. The one remaining project is the NMCRC Los Angeles, California Reserve Center repair/rehabilitation project which we reprogrammed in December 1982 using FY 1982 savings.

To date 5 out of 10 or 50% of the FY 1983 projects have been awarded.

FIVE YEAR PROGRAM

Question: What is requested for each Guard and Reserve component in FY 1984? Provide a list outlining the funds appropriated for the Guard and Reserve components in the last five years. What is programmed for each Guard and Reserve component in the next five years?

Answer: The following provides a summary of the five previous years:

Fiscal Year	Appropriated by Congress ($M)
1979	21.85
1980	18.30
1981	33.00
1982	36.00
1983	25.20

The Five Year Defense Plan including the FY 1984 budget is as follows:

FY 84	24.80 (President's Budget)
FY 85	28.90
FY 86	37.90
FY 87	37.20
FY 88	39.60

RESERVE CENTER, CORPUS CHRISTI, TEXAS

Question: The Army Reserve and Navy Reserve are requesting $2,490,000 and $3,350,000 respectively for a joint project to build an Armed Forces Reserve Center in Corpus Christi, Texas. The Army Reserve justification indicates that the training building cost will be $79.27 per square foot. The Navy justification indicates the unit cost of the training building to be $72.663 per square foot. Why is the a $7 per square foot difference in the Navy and Army request?

Answer: The Army Reserve training building unit cost of $79.27 per square foot is correct. The Naval Reserve did not properly update the DD 1391 cost estimates. While the total project cost for the Navy did not change there were unit cost updates. A revised DD 1391 is provided for the record.

1. COMPONENT N&MCR	FY 19___ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 83

3. INSTALLATION AND LOCATION ARMED FORCES RESERVE CENTER NAVAL AIR STATION, CORPUS CHRISTI, TEXAS	4. PROJECT TITLE ARMED FORCES RESERVE CENTER

5. PROGRAM ELEMENT 5 50 96 N	6. CATEGORY CODE 171-15	7. PROJECT NUMBER P-254	8. PROJECT COST ($000) 3,350

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ARMED FORCES RESERVE CENTER	SF	32,137	80.20	2,578
RESERVE TRAINING BUILDING	SF	30,943	79.27	(2,453)
VEHICLE MAINTENANCE BUILDING	SF	1,194	104.40	(125)
SUPPORTING FACILITIES				457
UTILITIES: WATER, SEWER, GAS & MECH.	LS			(139)
POV & MILITARY PARKING	SY	5,700	20.81	(119)
SITE IMPROVEMENTS				(45)
ELECT. UTILITIES				(104)
DEMOLITION				(50)
SUBTOTAL				3,035
CONTINGENCY AT 5%				152
TOTAL CONTRACT COST				3,187
SUPERVISION, INSPECTION & OVERHEAD AT 5.5%				175
TOTAL REQUEST				3,362
TOTAL REQUEST (ROUNDED)				3,350

10. DESCRIPTION OF PROPOSED CONSTRUCTION

A MULTI-STORY FACILITY OF STEEL/MASONRY CONSTRUCTION WITH CONCRETE BLOCK UNITS, BRICK, CONCRETE FLOORS AND BUILT UP ROOFS. AREA INCLUDES SPACES FOR TRAINING AIDS, OFFICES, CLASSROOMS, TOILETS, CONFERENCE ROOM, STORAGE, MEDICAL, ASSEMBLY HALL, SHOPS, MULTI-MEDIA LEARNING CENTER, GARAGE, SHIPBOARD SIMULATOR, DAMAGE CONTROL TRAINER, MECHANICAL, LOCKER ROOMS, AND COMMUNICATION SPACES. AIR CONDITIONING - 65 TONS. JOINT PROJECT WITH ARMY RESERVE AND COAST GUARD.

11. REQUIREMENT: 32,137 SF ADEQUATE: 0 SUBSTANDARD: 32,137 SF

PROJECT: THIS PROJECT WILL PROVIDE TRAINING FACILITIES FOR THE NAVY AND MAIRNE CORPS RESERVES.

REQUIREMENT: TO PROVIDE ADEQUATE SPACE TO SUPPORT TRAINING, RECRUITING, AND ADMINISTRATION OF PERSONNEL AND UNITS OF THE NAVY AND MARINE COPRS RESERVE LOCATED IN THE VICINITY OF CORPUS CHRISTI.

CURRENT SITUATION: THE FACILITIES CURRENTLY IN USE BY THE NAVY AND MARINE CORPS RESERVES WERE CONSTRUCTED IN 1940 & 1941 AS TEMPORARY BARRACKS. THE CONVERSION OF THESE FACILITIES FOR THE PURPOSE OF TRAINING RESERVISTS HAS NOT PROVIDED FUNCTIONALLY SUITED FACILITIES.

IMPACT IF NOT PROVIDED: CONTINUED USE OF INADEQUATE AND OVER-CROWDED FACILITIES WILL HAVE AN ADVERSE EFFECT ON THE RESERVE READINESS. LACK OF PROPER FACILITIES IS DETRIMENTAL TO TROOP MORALE AND RECRUITING.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS NOT BEEN PREPARED AS THERE IS NO ALTERNATIVE TO MEET THIS TRAINING REQUIREMENT.

QUESTIONS SUBMITTED BY SENATOR BYRD

Question: Would you please provide for the record a listing of each of the Guard and Reserve military construction projects and each regular component construction project in the FY 1985 program for West Virginia?

For each of these projects, provide for the record either a form 1391 or a comparable narrative statement indicating the installation and location, project cost, description of proposed construction, the need for the project (including current situation and impact if not provided) and other pertinent data.

Which of these projects could be accelerated into fiscal 1984? Are there any projects programmed for 1986 and beyond which could be accelerated into fiscal year 1984?

The Senate Appropriations Subcommittee on Military Construction directed the Navy to proceed with the design of a new Naval and Marine Corps Reserve Center at an identified site in Moundsville, West Virginia. The Committee further directed that this project be included in the fiscal year 1984 budget request. The Department has failed to carry out both of these directives. The explanations supplied by the Department are weak and unsatisfactory. What is the Department going to do now to respond positively to the Subcommittee's directive?

Answer: There are no projects for West Virginia presently programmed in the FY 1985 program. In addition, no other Naval and Marine Corps Reserve projects are programmed for West Virginia in the Five Year Defense Plan. However, on March 24, 1983 the Secretary of the Navy approved the new construction option to construct a Reserve Center at Moundsville, West Virginia to replace the Reserve Center at Wheeling, West Virginia. While the design is at zero percent, a site had been previously identified and it is felt that the design could be completed in late FY 1984. The present cost estimate is $2.9 million and DD 1391 is provided for the record.

We regret the delay in resolving the direction on this project. As reported to the Chairman, Subcommittee on Military Construction, Senate Committee on Appropriations on February 7, 1983 the initial report addressed only the options of new construction or purchase and rehabilitation of a local hospital, and did not provide the basis for a comprehensive decision. For this reason, more in-depth studies were initiated resulting in a third alternative, that of rehabilitating the existing facilities. Pending a decision, design action was stopped. As the project would not reach 35% prior to January 1, 1983, the Navy's FY 1984 budget request did not include the project.

Question: What steps are required by the Department of Defense, the State of West Virginia and the Congress to facilitate the construction of the South Charleston Combined Armed Forces Reserve Center? What are the options open to the Department, the State and the Congress in this matter?

Answer: As lead agency on this project, the Army Reserve will respond to this question.

1. COMPONENT N&MCR	FY 19___ MILITARY CONSTRUCTION PROJECT DATA		2. DATE 1 JAN 83
3. INSTALLATION AND LOCATION NAVAL AND MARINE CORPS RESERVE CENTER WHEELING, WEST VIRGINIA		4. PROJECT TITLE RESERVE TRAINING BUILDING	
5. PROGRAM ELEMENT 5 50 96 N	6. CATEGORY CODE 171-15	7. PROJECT NUMBER P-505	8. PROJECT COST ($000) 2,900

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
RESERVE TRAINING BUILDINGS	SF	25,350	71.5	1812
TRAINING BUILDING	SF	24,570	71.0	(1744)
VEHICLE MAINTENANCE FACILITY	SF	780	88.0	(68)
SUPPORTING FACILITIES	LS			774
LAND	AC	6	53,167	(319)
UTILITIES	LS			(284)
PARKING	SY	3,730	11.0	(41)
FENCE, SECURITY	LF	800	11.25	(9)
SPECIAL CONSTRUCTION FEATURE				(100)
SITE IMPROVEMENTS	LS			(21)
SUBTOTAL				2,586
CONTINGENCY (5%)				126
TOTAL CONTRACT COST				2,712
SUPERVISION, INSPECTION & OVERHEAD(SIOH)5.5%				140
TOTAL REQUEST				2,852
TOTAL REQUEST, (ROUNDED)				2,900

10. DESCRIPTION OF PROPOSED CONSTRUCTION PROJECT INCLUDES THE PURCHASE OF SIX (6) ACRES OF LAND IN VICINITY OF MOUNDSVILLE, WEST VIRGINIA AREA COMBINED WITH THE CONSTRUCTION OF A NEW TRAINING FACILITY. FACILITIES CONSIST OF CLASSROOMS, SHOPS, ADMINISTRATIVE SPACE, DRILL HALL AND ASSOCIATED SPACES REQUIRED FOR THE TRAINING OF NAVAL AND MARINE CORPS RESERVISTS.

11. REQUIREMENT: 25,350 SF. ADEQUATE: 0 SF. SUBSTANDARD: 32,378 SF.

PROJECT: CONSTRUCT A NEW RESERVE TRAINING CENTER.

REQUIREMENT: TO PROVIDE ADEQUATE FACILITIES TO SUPPORT THE TRAINING AND ADMINISTRATION OF PERSONNEL AND UNITS OF THE NAVAL AND MARINE CORPS RESERVE LOCATED IN A 50 TO 100 MILE RADIUS OF THE NEW FACILITY.

CURRENT SITUATION: RESERVISTS AT WHEELING ARE PRESENTLY DRILLING IN AN OBSOLETE FACILITY 36 YEARS OLD REQUIRING MAJOR REPAIRS TO THE STRUCTURE ROOF, MECHANICAL AND ELECTRICAL EQUIPMENT. STRUCTURAL PROBLEMS ARE A RESULT OF SOIL BEARING CONDITION BORDERED BY THE OHIO RIVER. SITE IS ON 2.6 ACRES AND HAS AN INSUFFICIENT NUMBER OF PARKING SPACES. EXISTING BUILDINGS HAVE LOW INSULATIVE CONSTRUCTION AND FOUNDATION SETTLEMENT CAUSING CRACKS AND INFILTRATION OF OUTSIDE AIR CREATING HIGH ENERGY USAGE WHICH IS AGGRAVATED BY AN ANTIQUATED MECHANICAL HEATING SYSTEM.

IMPACT IF NOT PROVIDED: OUTDATED FACILITIES WILL CONTINUE TO CAUSE MORALE PROBLEMS, PRODUCE TRAINING LIMITATIONS AND NEGATIVELY AFFECT RETENTION RATE. WILL CONTINUE TO EXPEND FUNDS ON A FACILITY WHICH HAS EXCEEDED ITS LIFE CYCLE. PARKING WILL CONTINUE TO BE INADEQUATE.

ADDITIONAL: AN ECONOMIC ANALYSIS HAS BEEN PREPARED CONSIDERING THREE ALTERNATIVES (CONSTRUCT REPLACEMENT CENTER, ACQUIRE/RENOVATE HOSPITAL, RECONSTRUCT EXISTING CENTER). THE REVIEW OF THE THREE ALTERNATIVES SUPPORTS NEW CONSTRUCTION OF A REPLACEMENT CENTER.

AIR FORCE RESERVE

STATEMENT OF BRIG. GEN. JAMES C. WAHLEITHNER, DEPUTY TO THE CHIEF OF AIR FORCE RESERVE, HEADQUARTERS USAF

ACCOMPANIED BY:

COL. BORIS C. CHALEFF, CHIEF, PROGRAMS AND RESOURCES DIVISION, AIR FORCE RESERVE

LT. COL. WALTER L. GRAY, STAFF CIVIL ENGINEER, PROGRAMS BRANCH, PROGRAMS AND RESOURCES DIVISION, AIR FORCE RESERVE

PERSONNEL STRENGTHS

Senator MATTINGLY. Please proceed, General. If you would like to summarize your report it would be fine. We can submit the full statement for the record.

General WAHLEITHNER. Thank you, Mr. Chairman.

I appreciate this opportunity to appear before you today to seek your support of the Air Force Reserve military construction program.

With your permission, I would like the formal statement admitted to the record and summarize our program at this time.

Senator MATTINGLY. Without objection.

General WAHLEITHNER. I am pleased to report that the Air Force Reserve is stronger than it has ever been. Our units can be mobilized and deployed within 72 hours. Our fiscal year 1982 strength authorization was 63,736 personnel. We exceeded that goal by 707 reservists, ending fiscal year 1982 with 64,443 personnel assigned.

We do not anticipate any difficulty in reaching the fiscal year 1983 manning level. In fact, this is the fifth year in a row that we have exceeded our strength authorizations. All of our 55 flying units are combat ready today with the exception of six units that are either activating or converting to newer aircraft.

RESERVE CREW ACTIVITIES

Last year, our reservists performed Air Force missions all over the world. We deployed two fighter squadrons and a number of C-130 missions to Europe during their 2-week annual tour. Half of the strategic airlift crews in C-141's and C-5's are reservists, and if you flew overseas in one of these airplanes today, the chances are 1 out of 3 that you will fly with a Reserve crew.

Additionally, our air medical evacuation aircrews fly a major portion of live missions in the Pacific area. Our KC-135 and KC-10 tanker aircrews perform global missions daily in support of the Active Air Force. Our aerial port and aircraft maintenance personnel also perform short tours regularly at overseas and Conus bases in support of Air Force exercises.

Our weather reconnainssance squadron at Keesler Air Force Base flew over 70 percent of the hurricane penetration missions flown out of the Conus and our rescue squadron saved 81 lives during the last year.

Our facilities are very important to us. Our success in manning our force, training our force, and keeping our highly skilled people in the force can be credited to a certain extent to the wisdom of congressional committees such as this committee in providing facilities for its Reserve forces.

WEAPON SYSTEMS MODERNIZATION PROGRAM

The Air Force Reserve is presently nearing completion of the weapon systems modernization program started in fiscal year 1980. With the replacement of our F-105's with F-16's in January 1984, the Air Force Reserve will be equipped with basically the same type aircraft as the Active Force.

Although we will make maximum use of existing facilities to support these newer aircraft, our requirements for new structures for both operational and maintenance needs have increased. Additionally, we have a need to replace those facilities that are difficult to maintain and repair.

BUDGET REQUEST

Our proposed fiscal year 1984 military construction program totals $42.2 million in authorization and appropriation. The major part of the projects in this program—in fact 54 percent—are in support of modernization, while only 46 percent is dedicated to replacement of existing buildings.

While we are requesting only $42 million for construction projects for fiscal year 1984, our real backlog has actually increased from $140 million in fiscal year 1982 to $250 million to date. We recognize, of course, that fiscal constraints are necessary and for that reason we request only $42.2 million.

We are well underway with our fiscal year 1983 program. Presently, seven projects with a current working estimate of $11.4 million are under contract. Current estimates indicate our fiscal year 1983 program will be 100 percent awarded by August 1, 1983.

I am proud of the success and accomplishments of the Air Force Reserve. We are a combat ready component, contributing daily to the total force mission. We need this committee's continued support to provide us with the essential facilities needed to maintain the readiness posture we have achieved.

Mr. Chairman, I want to thank you for the support this committee has given the Air Force Reserve.

[The prepared statement of Brig. Gen. James Wahleithner follows:]

PREPARED STATEMENT OF BRIG. GEN. JAMES C. WAHLEITHNER
DEPUTY TO THE CHIEF OF AIR FORCE RESERVE HEADQUARTERS
U. S. AIR FORCE

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

Thank you for the opportunity to appear before this committee to present the Air Force Reserve Military Construction Program (MCP) for Fiscal Year 1984.

We seek your continued support of the Air Force Reserve Military Construction Program to meet our essential facility needs. Over the years, we have made maximum use of existing facilities, often by extensive maintenance, repair, and alterations to accommodate our ever expanding role in the Total Force. As our missions have grown and our aircraft become more sophisticated, some of these existing facilities cannot economically accommodate the new missions. Our requirements can only be met by the construction of new facilities.

The projects in our FY 1984 request will satisfy the majority of the Air Force Reserve's most urgent facility requirements. Analysis of the Air Force Reserve mission conversions over the last four years readily shows the need to replace existing inadequate and deteriorating facilities. Since 1980 and continuing into FY 1984, a great percentage of the Reserve Military Construction dollars have been committed to support massive facility requirements generated by aircraft modernization initiatives. The Air Force Reserve MCP backlog as identified last Spring for end FY 1982 was projected to be $140 million. However, our Military Construction backlog has grown to $250 million due to delays in accomplishing replacement projects because of the current conversion programs started in FY 1980. The Air Force Reserve continues to work and and train for wartime requirements in out-dated, inefficient facilities. From FY 1980 to FY 1983, the percent of the program devoted to mission change increased significantly. The percentages were 30% in FY 1980, 50% in FY 1981, 70% in FY 1982 and 80% in FY 1983. Again in FY 1984, 54 percent of the MCP is devoted to mission conversions. While the construction of new facilities to support mission conversions shows a 26 percent reduction from FY 1983, future facilities modernization related to our continual conversion programs will still share a major part of the Military Construction Program. Our need to replace existing inadequate, deteriorated, and substandard facilities still confronts us. Our FY 1984 MCP request totals $42.2 million in appropriation and authorization; this includes Architectural/Engineering, Construction Design, and Minor Construction funding. Of the authorization requested, $20.0 million is for aircraft and weapon system maintenance facility projects. The remaining $22.2 million is for operational, training and general support facilities.

As of January 1983, all of our equipped flying units were combat ready with the exception of three units converting to newer aircraft and three units being activated. These units are:

C-130E unit converting from C-130Bs (Westover AFB)
C-130H unit converting from C-7A (Dobbins AFB)
A-10 unit converting from C-130s (Richards-Gebaur AFB)
C-130B unit activating (Peterson AFB)
F-4D unit activating (Wright-Patterson AFB)
KC-10A associate unit activating (March AFB)

All six of our associate strategic airlift wings were combat ready. Additionally, each of the three KC-135 tanker squadrons remains in combat ready status and has crews standing daily alert. Along this line, the second SAC associate unit of KC-10s was activated in September 1982 at March AFB, California.

The Air Force Reserve will continue to modernize both its airlift and fighter forces. On the airlift side, we will convert the last C-7 unit, at Maxwell AFB, Alabama, to the more capable C-130E in the first quarter of FY 1984. Our fighter forces will realize two significant changes. First, the F-4C unit at Homestead AFB, Florida, will convert to F-4D model aircraft, again in the first quarter of FY 1984. And, in the second quarter of FY 1984, we will retire the last F-105 aircraft and replace it with F-16. Replacing the C-7, F-4C, and F-105 aircraft will make the Air Force Reserve a much more capable partner in the Total Force.

In the FY 1984 MCP, eleven projects are directly related to mission or equipage changes. There are two projects at Maxwell AFB to support the newly assigned C-130 aircraft. At Luke AFB, there are four projects to support the recently programmed F-4 aircraft. One project each at Dobbins AFB and Wright-Patterson AFB to support C-130 and F-4 aircraft respectively. Finally we have three projects at Hill AFB to support the planned conversion from F-105 aircraft to F-16 aircraft in the second quarter of FY 1984. The 12.2 million dollars for these eleven projects is approximately 34 percent of the overall FY 1984 program. With the completion of these projects and associated mission/aircraft conversions the Air Force Reserve will be equipped with basically the same type of aircraft as the Active Force. The only modernization issue our current program does not fully address is a firm replacement for our older C-130A aircraft.

This year's request to fund minor construction requirements is $3,013,000. This amount will satisfy our urgent construction project requirements driven by mission changes. Design of the FY 1984 projects is progressing to enable early fiscal year obligation of construction funds. Our estimate for advertising the FY 1984 program is presently on schedule with a ready date of 1 Oct 83. We have started design on our FY 1985 projects and estimate all projects to be 35% or more design complete by 1 Jan 84 as specified in the law.

We have improved considerably in getting our projects under contract. Twenty-one of twenty-two FY 1982 projects are under contract which is 95 percent of that year's projects. We expect to award the one remaining FY 1982 project shortly, giving a 100 percent award rate. However, the savings resulting from favorable bids allowed the Air Force Reserve to request reprogramming on two FY 1984 projects for funding with FY 1982 dollars. The two projects have an estimate cost of $2,175,000 and one, the Squadron Operation facility at Dobbins, is related to mission conversion. The other project, a relocation of the Survival Equipment Shop, at Portland IAP, is part of the total relocation of the Reserve activities at Portland. The area occupied by the Air Force Reserve is being transferred to Portland Port Authority for future port expansion.

We are also well underway in getting our FY 1983 projects under contract. Presently, seven projects with a current working estimate of 11.4 million dollars are already under contract. The dollar value of these seven projects is approximately forty percent of the funds allocated for FY 1983. Current estimates indicate our FY 1983 program will be 100 percent awarded by 1 Aug 83.

The Air Force Reserve is fulfilling its peacetime mission and is ready to meet its wartime commitments. All our units which are not in the midst of a conversion are combat ready. We have a motivated, professional force and are acquiring the most modern equipment to meet the mission demands. We need the essential facilities presented in this program request to train, maintain, and operate this Total Force component. These facilities are basic to retaining our people and preserving our high state of morale.

This concludes my statement on behalf of the Air Force Reserve Fiscal Year 1984 Military Construction Program request. Mr. Chairman, I will be glad to answer any question the Committee may have.

FACILITIES REQUIREMENTS

Senator **Mattingly**. Thank you, General.

In order to accomplish your mission, what is the greatest requirement in regards to facilities?

General **Wahleithner**. Facilities for conversion to the newer weapon systems. At Luke Air Force Base, for example, the Air Force Reserve is converting from CH3's to F-4 aircraft basically for conversion. All of our facilities are dedicated to combat readiness with conversion being our highest priority.

Senator **Mattingly**. Are you able to make use of the Air Force facilities?

General **Wahleithner**. Yes, sir. We are located on Air Force bases wherever we possibly can.

Senator **Mattingly**. How do you determine the level of military construction?

General **Wahleithner**. Each of our flying and support units, units that own facilities, does an annual study of their requirements based on today's needs and the needs for the future based on plans for the future to convert to newer airplanes, or add airplanes and people. Those requests are then channeled upstream to Headquarters Air Force Reserve, and then to us in the Pentagon. Then the Air Force Reserve compete in the Air Force POM structure for dollar resources to meet our requirements.

Now, since our requirements are dedicated to combat readiness we have been fairly successful.

Senator **Mattingly**. With some of the decisions that come out of Congress it surprises me that you can plan that well.

DOBBINS AIR FORCE BASE, GA.

I notice that in the request this year you had included $2.77 million for Dobbins Air Force Base in Georgia.

General **Waleithner**. Yes, sir.

Senator **Mattingly**. Can you sort of give me a rundown on those requirements?

General **Waleithner**. There is an inspection and repair facility for Dobbins AFB for engine repair. Now, you know, we just put C-130H's into Dobbins. They have done a super job of converting, a great outfit: $470 thousand for the aircraft inspection repair shop and then we are going to require $353 thousand for an addition and alteration to the survival equipment shop facility.

Of course, the C-130 because of its worldwide mission has a greater requirement for survival equipment such as life rafts.

Senator **Mattingly**. Do you have any future requirements other than that?

General **Waleithner**. Yes, sir. Then we are going to add to the warehouse. Go ahead, Walt.

Colonel **Gray**. Mr. Chairman, we had cost savings in fiscal year 1982 and we moved the squadron operations facility, $1.675 million, into the 1982 program based on reprograming approval. It was a fiscal year 1984 requirement we moved up.

General **Waleithner**. It is a great unit, we are very, very proud of it.

PERCENTAGE SAVINGS IN FISCAL YEAR 1983

Senator **Mattingly**. What sorts of savings have you had in fiscal year 1983, percentagewise?

General **Waleithner**. In 1982, we had $1.1 million and in 1983, we have $1.7 million to date.

Senator **Mattingly**. What is that percentagewise on bids that are going out and coming back; what does it run?

Colonel **Gray**. About 35 percent.

General **Waleithner**. It has been a pretty good climate.

Senator **Mattingly**. Are you still issuing bids now?

Colonel **Gray**. Yes, sir.

Senator **Mattingly**. Are you still getting the same response?

Colonel **Gray**. Yes, sir.

REDUCTION OF BACKLOG

Senator **Mattingly**. I assume the Reserve has a plan to try to reduce the backlog.

General **Waleithner**. Yes, sir. We will try and put in about $20 million a year over the coming years to attempt to reduce that backlog.

Senator **Mattingly**. Is it going up, I assume?

General **Waleithner**. No; I think it is going to stay pretty steady. We are not adding many new units. Our structure is fairly stable. With this stability the Air Force Reserve will concentrate on its facility backlog requirements.

SALE OF LAND ACREAGE AT DOBBINS

Senator **Mattingly**. Just an aside. I do not know if you all are aware of this. I noticed the other day that there was a proposal to sell some of the acreage at Dobbins.

General **Waleithner**. Yes, sir, just a small increment, very small property that has been declared excess.

We have had a change of mind about some of the property that we wanted to sell. Perhaps you are aware of that, that we want to swap one area for another. We are attempting to hold back some of the property that was originally offered.

Senator **Mattingly**. Are there many facilities like that in this country, like Dobbins?

General **Waleithner**. Reserve facilities you are talking about?

Senator **Mattingly**. Yes.

General **Waleithner**. We operate Westover Air Force Base, which is equivalent in size to Dobbins. It does not have quite the number of flying units. But not many, do. We have few small units on civilian airports—Milwaukee, Minneapolis, Niagara Falls, Chicago, and Youngstown, Ohio. These are small Air Force Reserve units.

Senator **Mattingly**. What do you use out west?

General **Waleithner**. In the west we are on Air Force bases, Hill Air Force Base, Utah; Travis Air Force Base, Calif.; and McChord AFB in Washington. We do not own any bases west of the Mississippi.

Senator **Mattingly**. I appreciate you all coming. The best of luck. Thank you very much.

AIR NATIONAL GUARD

STATEMENT OF BRIG. GEN. WESS P. CHAMBERS, DEPUTY DIRECTOR, AIR NATIONAL GUARD

ACCOMPANIED BY COL. THOMAS M. WALSH, CHIEF, PLANS AND PROGRAM BRANCH, ENGINEERING AND SERVICES DIVISION, AIR NATIONAL GUARD

FACILITY REQUIREMENTS

Senator **MATTINGLY**. General Chambers.

General **CHAMBERS**. Mr. Chairman and members of the committee, I am very pleased to appear before you today with the Air National Guard military construction request.

I might say, the projects for 1984 will certainly satisfy a substantial portion of our most urgent facility requirements essential to maintaining a continuing modernization of the Air National Guard as part of the total force.

Today, the Air National Guard continues to provide a significant portion of the combat capability of the U.S. Air Force. In most mission areas approximately 25 percent of the combat capability resides in the Air National Guard.

Senator **MATTINGLY**. Repeat that again for me, you said 25 percent?

General **CHAMBERS**. Approximately 25 percent in those mission areas for which the Air National Guard has units.

In two mission areas, air defense and tactical reconnaissance, we provide over 50 percent, about 53 percent of tactical reconnaissance and about 65 percent of the air defense capability.

In addition, we have 15 units that are tasked at the present time to support Central Command [CENTCOM] which is the former Rapid Deployment Joint Task Force. They would be deployed within 24 hours in case of utilization of that task force.

As a byproduct of our training we have equipment and people deployed worldwide on a daily basis in support of active Air Force missions.

Needless to say, with an active and highly sophisticated and mobile force like that, we need continuing modernization of our facilities in order to provide for proper training of our personnel and maintenance of equipment.

Most of our critical needs have been provided through our military construction programs in the past but we still have a continuing backlog. I am pleased to say however that at the end of fiscal 1983 we will have reduced our backlog by approximately $43 million. This is due in part to a $23.1 million add by Congress for fiscal 1983 plus the good bidding climate and a reduction in inflation rates.

BACKLOG

Our estimated backlog, though, will increase by approximately $12 million with the execution of our fiscal year 1984 program, again due to current inflation and new requirements.

Our fiscal 1982 program is moving along reasonably well. We have received bids on $88.5 million, or 95 percent, of our program. The favorable bidding climate continued in 1982. The savings realized have been used through reprograming approved by Congress, to accelerate 11 projects forward into 1982.

Senator MATTINGLY. How much money was that?

General CHAMBERS. That is $17.5 million.

To date in our 1983 program we have authorized to bid $69.8 million, or 62 percent, of a $112 million program. We expect to have 91 percent of this authorized for construction by the end of the fiscal year.

BUDGET REQUEST

Our appropriation request for fiscal year 1984 is $79.9 million, which is our lowest since 1981. This request includes funds for major construction, minor construction, and planning and design.

If approved or appropriated, this will provide for 52 projects at 30 locations in 23 States in support of weapon systems conversions, facility modernizations unit relocations.

This committee has been very responsive to the Air National Guard military construction programs in past years. Your recognition and support of these requirements has greatly assisted us in achieving and maintaining a high state of rediness in the Air National Guard.

Mr. Chairman, this concludes my statement on behalf of the Air National Guard fiscal 1984 military construction request. I sincerely appreciate the committee's continuing interest and assistance in satisfying our requirements.

[The prepared statement of Gen. Wess Chambers follows:]

PREPARED STATEMENT OF BRIG. GEN. WESS P. CHAMBERS
DEPUTY DIRECTOR
AIR NATIONAL GUARD

OVERVIEW

INTRODUCTION

Mr. Chairman and members of the Committee, I am pleased to appear before you with the Air National Guard Military Construction request for FY 1984. The projects in this request are essential to the modernization of the Air National Guard as part of the "total force" and will satisfy a substantial portion of the Air Guard's most urgent facility requirements for this coming year.

MODERNIZATION

Air National Guard flying units are organized into 24 wings, 67 groups and 91 flying squadrons with more than 1,670 assigned aircraft. The continued strong support of the active Air Force is permitting us to replace older, less capable aircraft with more modern and sophisticated weapon systems.

In the first quarter of FY 83, the Guard established an F-4 Air Defense training facility at Kingsley Field, Oregon, and transitioned one O-2A unit to F-4Cs. In the second quarter, the Air National Guard will complete the retirement of the F-105 converting the last unit to F-4Ds. In July, the Air National Guard will receive its first multi-mission F-16s. The F-16 is an exceptional aircraft with a superior technological capability. Its introduction into the Air National Guard is another step forward in the continuing efforts to upgrade mission capability and achieve a general compatibility between Active and Air National Guard aircraft types. The A-7s displaced from the unit converting to F-16s will be used to increase the unit equipage of other Air National Guard A-7 units.

Additionally, in the fourth quarter an RF-4C unit will convert to F-4Ds and another RF-4C unit will increase unit equipage concurrent with the establishment of a Replacement Training Unit (RTU) for ANG reconnaissance assets.

By the end of FY 83, six of the thirteen Air National Guard KC-135 units will be equipped with the JT-3D reengined tankers. An additional unit will be retrofitted by the end of the first quarter of FY 84.

In FY 84, the ANG will continue modernization efforts in most major mission areas. Two Air Defense units will convert from F-106s to F-4Ds, initiating the retirement of F-106 interceptors from the Air National Guard. The ANG F-4 interceptor training school and the F-4 tactical fighter Replacement Training Unit (RTU) will be further expanded. Two tactical fighter units (F-16 and F-4) will receive additional aircraft, expanding to 24 primary aircraft authorized. One tactical airlift squadron will convert from C-130Es to C-130Hs and the C-130Es will be transferred to the Air Force Reserve to complete the retirement of the C-7 aircraft.

As a result of modernization efforts, Air National Guard flying units continue to make a substantial contribution to the total air force combat capability and will fulfill a large portion of force commitment during any future serious crisis. In FY 84, the Air National Guard will possess 65 percent of the total Air Force Air Defense Interceptor forces; 53 percent of Tactical Reconnaissance forces; 32 percent of Tactical Airlift forces; 26 percent of Tactical Fighter forces; 17 percent of Aerial Refueling forces; 14 percent of Rescue and Recovery forces; 19 percent of Electronic Combat forces; and 32 percent of Tactical Air Support forces. In addition, 15 Air Guard flying units tasked to support Central Command (CENTCOM). CENTCOM is the new title for the Rapid Deployment Joint Task Force (RDJTF).

Equally important to the success of the Air National Guard mission are our non-flying units. There are 240 independent units heavily concentrated in the areas of combat communications, weather, tactical control, electronic installation, civil engineering, and air base defense.

CURRENT STATUS

FACILITIES

Facilities that meet present day needs of a highly sophisticated and mobile air force are essential to continued Air National Guard combat readiness. The facilities for conversion to new weapons systems and for force increases in existing weapons systems have, for the most part, been made available through your past support of our annual military construction programs. However, the Air National Guard physical plant for operations, training, mobility, maintenance, and general support remains deficient in many areas. Many units of the Air National Guard are still operating from inadequate or obsolete facilities. A significant number of temporary World War II and Korean War structures are still in use. Continued operation in substandard facilities will reduce weapons system reliability, impair recruiting and retention of personnel, restrict training and severely impact on the ability of the Air National Guard to sustain its high combat readiness level.

BACKLOG

Longstanding requirements make up much of the Air National Guard construction backlog. Last year at this time we estimated that the backlog after execution of the FY 1983 program would be $574 million. As a result of a $23.1 million Congressional add-on in FY 1983 and a reduction in the inflation rate, the estimated backlog now stands at $531 million. The backlog after execution of the proposed FY 1984 program is estimated at $543 million. This includes an estimate of new requirements during FY 1984 and cost growth at the current escalation rate.

PROGRESS ON PRIOR YEAR PROGRAMS

The FY 1982 program is progressing well. Bids have been received on $88.5 million (95 percent) of the $92.74 million appropriated for military construction projects. The favorable bidding climate that developed in FY 1980 continued throughout FY 1982. The savings realized from very competitive bidding have been used via Congressionally approved reprogramming, to accelerate the construction of eleven urgently required facilities.

The Air Guard has authorized construction to date on $69.8 million (62 percent) of the $112.9 million appropriated for the FY 1983 military construction projects. It is estimated that 91 percent of the FY 1983 program will be authorized for construction by the end of the fiscal year.

MILITARY CONSTRUCTION APPROPRIATION

FY 1984 REQUEST

As an active partner in the "total" force Air Force, our facility requirements have increased each year with the changes and growth in Air National Guard missions. Realistic annual funding of the Air National Guard military construction program is necessary to provide the facilities to support this increased mission tasking.

The Air National Guard appropriation request for the FY 1984 military construction program is $79.9 million. It includes $65.8 million for major construction, $5.5 million for minor construction and $8.6 million for planning and design. The program is composed of 52 projects at 30 locations in 23 states/territories and provides direct support of weapons system conversion, facilities modernizations, and unit relocations. This is our lowest request since FY 1981.

SUMMARY

COMMITTEE SUPPORT

This committee has been highly responsive to Air National Guard requirements by providing the military construction vitally necessary to support critical weapon system modifications, conversions and unexpected program revisions.

Your recognition and support of these requirements have greatly assisted us in achieving individual unit combat capability and in maintaining the high state of overall readiness exemplified by the Air Guard.

CONCLUSION

Mr. Chairman, this concludes my statement in behalf of the FY 1984 military construction request. This committee's continued interest and support is most sincerely appreciated.

BRIGADIER GENERAL WESS P. CHAMBERS
DEPUTY DIRECTOR, AIR NATIONAL GUARD

General Chambers was born October 2, 1932, in Miami, Arizona. After graduating from North Phoenix (AZ) High School in 1950, he attended Whittier College and the University of Arizona. In 1967 he received his bachelor of science degree in general studies (political science) from The George Washington University, Washington, D.C. He completed Air Command and Staff College at Maxwell Air Force Base, Alabama in 1965 and Air War College by correspondence.

In July 1952 the general enlisted in the Arizona Air National Guard and entered aviation cadet training in February 1953. He graduated and was commissioned a second lieutenant at James Connally Air Force Base, Texas in May 1954. He was awarded the Distinguished Graduate Award for Excellence in Military Flying and Academic Training for graduating first in his class. General Chambers completed advanced pilot training at Nellis Air Force Base, Nevada. His first operational assignment was an F-86 fighter pilot with the 197th Fighter-Interceptor Squadron of the Arizona Air National Guard in Phoenix.

He transferred to the 152nd Fighter-Interceptor Squadron, Arizona Air National Guard in Tucson, when the unit was activated in May 1956. He served as a fighter pilot, assistant flight commander, flight commander, squadron operations officer and squadron commander. His additional duties included instrument training officer, scheduling officer, instructor pilot, Federal Aviation Agency liaison officer, and standardization and evaluation check pilot.

In July 1964 General Chambers was assigned to the 162nd Fighter-Interceptor Group as operations staff officer. Following graduation from Air Command and Staff College in June 1965, he returned to the 162nd Fighter-Interceptor Group at Tucson as group deputy commander for operations. He held this assignment until he was appointed commander of the 162nd Tactical Fighter Training Group in October 1971. The general assumed his present duties in April 1981.

Concurrent with his military assignments, General Chambers entered the Air National Guard Air Technician program in August 1956 as a flying training instructor. He was promoted to air operations officer in August 1965 and became air commander of the 162nd Tactical Fighter Training Group in September 1971.

From 1973 to 1974, General Chambers served as a member of the Dubois Committee, at the National Guard Bureau studying the military-technician organizational structure. In 1974 and 1975 he also served as a member of the National Guard Bureau Doolittle Committee, which was tasked to analyze and evalute proposals for increased utilization and improved effectiveness of Air National Guard officers.

The general is a command pilot with more than 5,400 hours flying time in T-6s; T-28s; T-33s; F-86A's, E's, and F's; F-84F's; C-45s; C-47s; F-102s; F-100A's, C's, D's and F's; and A-7D's. He has accumulated more than 4,700 hours in single-engine jet aircraft. His military decorations and awards include the Legion of Merit, Meritorious Service Medal, Air Force Commendation Medal, Air Force Outstanding Unit Award ribbon with two oak leaf clusters, Combat Readiness Medal with one oak leaf cluster, Good Conduct Medal, National Defense Service Medal, Air Force Longevity Service Award Ribbon with five oak leaf clusters, Armed Forces Reserve Medal with hourglass device, Small Arms Expert Marksmanship Ribbon, Arizona Long Service Medal and Arizona Exceptionally Long Service Medal.

He was promoted and federally recognized as a brigadier general April 1, 1981.

General Chambers is married to the former Bonnie Lee Wheeler and they have three children: John, Sherri and Gary.

LIBBY ARMY AIR FIELD, ARIZ., FACILITIES

Senator MATTINGLY. Thank you very much.

During the last 2 years there has been discussion about the need for facilities in Arizona, especially at Libby Army Air Field.

General CHAMBERS. Yes, sir.

Senator MATTINGLY. Can you tell us what the status of that is?

General CHAMBERS. Yes, sir. To date we are at the 95-percent level of design completion. The plans have been reviewed and there are some minor changes required which will be completed in the next month. We will go to bid in July of this year, with completion of construction in July of 1985.

Senator MATTINGLY. Unlike the Army Guard, the Air Guard does not obtain State funding.

General CHAMBERS. Yes, sir. There is a slight difference in that most of the facilities of the Air National Guard are the type that are not in a local community such as Army National Guard armories.

In the Air National Guard the land is Federal owned or leased and licensed to the State. The construction of the facilities is 100 percent Federal and they are owned by the U.S. Air Force. For the Army National Guard many of the facilities are owned by the State.

So, that is the difference in how they are handled and why the State does not contribute. For the Air National Guard the State then contributes to the maintenance, operations, and upkeep through a cooperative funding agreement with a 75/25-percent ratio.

REDUCTION IN CONSTRUCTION REQUEST

Senator MATTINGLY. Is it because of the lower bids that you have been able to hold down your construction request in fiscal year 1984?

General CHAMBERS. No, sir—well, yes in part, I should say. Because of the favorable bidding climate in 1981 and 1982 and our ability to reprogram with congressional approval $25 million was taken out of our program by office of the Secretary of Defense to compensate for project accelerations. So, that is why our request is reduced.

NEED FOR FACILITIES

Senator MATTINGLY. What is your greatest need as far as facilities?

General CHAMBERS. Our greatest needs are to modernize facilities and support conversions. In a couple of instances, facilities are needed to relocate units that are in areas that have an inability to continue because of the size and congestion of the airports. As an example, we are presently in Westchester County in New York and there is just no way we can expand that organization. So, we are in the process of relocating that unit to Stewart Field in conjunction with the Marine Corps Reserves.

That is an a urgent need and we have some others that need some slight relocation because of growth around them.

GEORGIA AIR NATIONAL GUARD FACILITY NEEDS

Senator **Mattingly**. What facility needs does the Georgia Air National Guard have?

General **Chambers**. There are quite a few facility needs in Georgia, although we have done quite a bit of construction. I can give you a run down on that if you would like.

Since 1979, in Georgia we have done 13.5 million dollars worth of construction at all of the facilities. At the present time we have a backlog of about $11 million in Georiga, but approximately half of that is at Savannah at the permanent field training site.

Of the almost $6 million backlog there, we are presently undergoing a study as to whether we will really need to build all of those facilities.

Most of that construction would be to bring that permanent field training site to a high standard for units that deploy in there. However, because our war time deployment would be to colocate operating bases in Europe and other places that are very austere and remote, we are looking at using our permanent field training sites more to simulate those conditions so that the training that people get is closer to what they would see in war time.

So, after we finish the study we may reduce that backlog at Savannah drastically. Rather than improving the facilities much higher standards, we may use it for more realistic training.

Senator **Mattingly**. Until you finish the study you do not know what you will do.

General **Chambers**. We do not know what we will do in Savannah, no, sir. We have no major projects in the 1984 program in Georgia. In 1985 we have some alterations on a hangar at Dobbins for about $800,000 and at Savannah we have an aerial port for $1.2 million.

SUBMITTED QUESTIONS

Senator **Mattingly**. I appreciate it and thank you very much. We will have different questions for you that you can respond to in writing. Thank you very much.

General **Chambers**. Thank you very much.

Senator **Mattingly**. I would like to thank all of you for coming today, for your fine presentations. As usual, the Guard and Reserve components present factual and valid requirements for our consideration.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

SUBMITTED QUESTIONS

Question: Does the Air Guard make use of active Air Force facilities where possible? Or, can you perhaps make addition to existing facilities without having to build a duplicate?

Answer: The Air National Guard builds sole use facilities only when joint use with the active force or other reserve components is not practicable.

We add on to existing facilities whenever it can be done in a practical manner, for example, this year, we are adding on the Navy medical facility at Moffett Field, California, to provide space for our medical unit.

Question: In reviewing the justifications for the Guard and Reserve components it appears that most projects can be under construction by January 1984. However, the Air Force Reserve has 15 projects for which there will be no construction start until April 1984. Why is the Air Force Reserve planning such a late construction start for these projects when the other components are planning earlier construction start dates for projects in the FY 1984 program.

Answer: Design of the Air Force Reserve FY 1984 Military Construction Program (MCP) was initiated in June 1982. The design agencies estimate that the projects in the program can be executed during FY 1984. The estimates for the program has 73 percent with a design completion by end FY 1983 with award first quarter FY 1984 and the remaining nine (27 percent) design complete by end first quarter FY 1984. Thus, the program has an estimated 100% award not later than second quarter FY 1984.

Question: For each component, list each project which was approved for planning and design funds in FY 1982 and to date in FY 1983.

Answer: The information requested in listed below:

STATE/BASE	PROJECT
Alabama/ Dannelly	Weapons Calibration Shelter
	Aircraft Arresting System
	Add/Alter Base Engineering Maintenance Facility
Arkansas/ Ft Smith	Composite Telecommunication/Medical Training/ Admin Facility
	Add to Headquarters Building 102
Arizona/ Sky Harbor	Power Check Pad with Suppressor
	Fire Station
	Medical Training & Admin Facility
Arizona/ Tucson	Add to Aircraft Parking Apron
	Fuel Systems Maintenance Dock

STATE/BASE	PROJECT
California/ Fresno	Aircraft Arresting System Fuel System Maintenance/Corrosion Control Dock Add/Alter Fire Station Medical Training & Admin Facility Base Engineer Maintenance Facility Add/Alter Jet Fuel Storage
California/ March	Composite Base Support Facility Weapons Calibration Shelter
California/ Miramar	Communications-Electronic Training Facility Auto Maintenance/Support Equipment/Mobility Storage Site Preparation/Utility/Roads/Fence/Parking
Colorado/ Buckley	Add to Base Engineer Maintenance Facility Medical Training & Admin Facility
Connecticut/ Bradley	Add/Alter Base Supply
Delaware/Greater Wilmington	Security Police Operations Facility Medical Training & Admin Facility
Florida/ Jacksonville	Add/Alter Building 5, Squadron Operations/Telecommunications/Security Police Add/Alter Hangar 1 for Avionics Fuel Cell Maintenance Hangar Add/Alter Munitions Maintenance/Storage Facility Gun/Weapons/Release System Shop/Storage Facility Base Engineer Maintenance Facility Add/Alter Base Supply/Admin/Warehouse Facility
Georgia/ Dobbins	Alter Hangar 838-Energy Conservation
Georgia/ Savannah	Aerial Port Training Facility
Guam/Andersen	Base Engineer Maintenance Facility
Hawaii/Hickam	Add to Aircraft Parking Apron
Iowa/ Des Moines	Power Check Pad with Suppressor
Iowa/ Sioux City	Power Check Pad with Suppressor Weapons System Security Flight Facility
Idaho/ Boise	Operational Training Facility Fire Station Base Engineer Maintenance Facility
Illinois/ Capital	Fire Station/Security Police Operations

STATE/BASE	PROJECT
Illinois/ Greater Peoria	Energy Conservation-Alter Buildings
	Auto Maintenance/Refuel Vehicle Shop
Illinois/O'Hare	Automotive Maintenance Shop
Indiana/ Ft Wayne	Aircraft Weapons Calibration Shelter
	Weapons System Security Flight Facility
Indiana/ Hulman	Warm-Up/Holding Pad - Arm/Dearm
	Alter Hangar-General Purpose Shops
Kansas/ McConnell	Fuel System Maintenance/Corrosion Control Dock
	Communication-Electronics Training Facility
	Automotive Maintenance Shop
Kentucky/ Standiford	Fire Suppression System
Louisiana/ New Orleans	Operational Training Facility
Massachusetts/ Barnes	Medical Training and Admin Facility
Massachusetts/ Otis	Alter Jet Fuel Storage
Maryland/ Andrews	Security Police/NDI/POL Operations Facility
Maryland/Glenn L. Martin	Aerial Port Training Facility
	Jet Fuel Storage/Operations/Parking
Maine/ Bangor	Composite Operational/Training Facility
	Security Police Operations Facility
Michigan/ Phelps Collins	Alter Jet Fuel Storage
Michigan/ Selfridge	Energy Conservation-Add/Alter Building 120
	Energy Conservation-Alter I&R Shop
	Energy Conservation-Add/Alter Building 921
	Energy Conservation-Alter Hangars
	Add to Munitions Maintenance & Storage
Michigan/ W.K.Kellogg	Maintenance Control Facility
	Fuel System Maintenance/Corrosion Control Dock
Minnesota/ Duluth	Fire Station
Minnesota/ Minneapolis-St. Paul	Base Supply/Equipment/Composite Facility
	Add to Hangar 680 for Avionics

STATE/BASE	PROJECT
Missouri/ Rosecrans	Add/Alter Base Supply/Equipment Warehouse Add to Squadron Operations Facility
Missouri/ St. Louis	Fire Station
Mississippi/ Allen C. Thompson	Combine Squadron Operations/Dining Hall
Mississippi/ Gulfport	Add/Alter Jet Fuel Storage Munitions Maintenance & Storage Facility
Mississippi/Key	Squadron Operations Facility
Montana/ Great Falls	Aircraft Arresting System
North Carolina/ Badin	Communication-Electronics Training Facility
North Carolina/ Douglas	Fire Station Base Engineer Maintenance Facility
North Dakota/ Hector	Base Engineer Maintenance Facility
New Jersey/ Atlantic City	Operations Training/Medical Training & Admin/ Dining Hall
New Jersey/ McGuire	Addition to Avionics-Weapons/Release System Shop Addition to Squadron Operations
New Mexico/ Kirtland	Aircraft Arresting System Medical Training/Admin-Alter Building 1055 POL Operations/Refueler Parking
Nevada/Reno	Aircraft Arresting System
New York/ Hancock	Dining Hall Aircraft Maintenance Dock Alter Hangar 610-Energy Conservation Base Engineer Maintenance Facility
New York/ Niagara Falls	Squadron Operations Facility Add/Alter Building 906-Support Equipment Shop
New York/ Schenectady	Auto Maintenance/Refuel Vehicle Parking/Shed Jet Fuel/POL/Refuel Vehicle
New York/ Suffolk County	Composite Squadron Operations/Maintenance (Control) Fire Station
Ohio/Camp Perry	Civil Engineering Facility Operations Training/Medical Training/Admin/ Dining Hall

STATE/BASE	PROJECT
Ohio/ Rickenbacker	Crew Readiness Facility
	Alter Building 863 for Medical Training & Admin
	Alter Hangar 597-Fuel System Maintenance/
Ohio/ Rickenbacker	Corrosion Control Dock
Ohio/ Springfield	Power Check Pad with Suppressor
	Approach Lighting System
Ohio/ Toledo Express	Add to Base Supply
	Add to Fire Station
Oklahoma/ Tulsa	Power Check Pad with Suppressor
	Addition to Munitions Maintenance & Storage
Oregon/ Kingsley	Aircraft Arresting System
	Alter Hangar 219/Energy Conservation
	Add/Alter Aircraft Engine I&R/Energy Conservation
	Fuel Cell Maintenance Hangar
	Add/Alter Building 332 Support Equipment/Energy Conservation
	RTU Squadron Operations/Operational Training Facility
Oregon/ Portland	Fire Station
	Communication-Electronics Training/Mobility Storage
Pennsylvania/ Greater Pittsburgh	Add/Alter Composite Operational Training Facility - Energy Conservation
	Munitions Maintenance & Storage Facility
Pennsylvania/ Harriburg/ Olmsted	Base Supplies & Equipment Warehouse
	Base Engineer Maintenance Facility/Fire Station
	Support Equipment Shop
Pennsylvania/ Willow Grove	Communication-Electronics Training Facility/ Mobility Storage
	Auto Maintenance/Support Equipment Shop
	Fuel System Maintenance Dock
Puerto Rico/ San Juan	Aircraft Arresting System
Rhode Island/ Coventry	Alter Building P4, 5, 8 and 9/Communication-Electronics/Energy Conservation
Rhode Island/ North Smithfield	Add/Alter Building P1-Communication-Electronics Training Facility
Rhode Island/ Quonset State	Base Engineer Maintenance Facility

STATE/BASE	PROJECT
South Carolina/ McEntire	Base Supply/Equipment Warehouse/Mobility Storage Fire Station F-16 Flight Simulator
South Dakota/ Joe Foss	Power Check Pad with Suppressor
Tennessee/ McGhee-Tyson	Power Check Pad with Suppressor Composite Squadron Operations/Telecommunications Facility Fire Station Jet Fuel Operating Storage Taxiway Extension Base Engineer Maintenance Facility
Tennessee/ Memphis	Fuel System Maintenance/Corrosion Control Dock Composite Squadron Operations Facility
Tennessee Nashville	Fuel System Maintenance/Corrosion Control Dock
Texas/Dallas	Addition for Aircraft Maintenance Shops
Texas/Ellington	Fire Suppression System Fuel System Maintenance/Corrosion Control Dock Refueling Vehicle Parking Aircraft Arresting System Medical Training & Admin Facility/Dining Hall Addition to Building 1193-Squadron Operations/ Weapons Security Alter Building 1057-Telecommunications-Energy Conservation Aircraft Engine I&R Shop
Utah/Salt Lake City	Power Check Pad with Suppressor
Virginia/ Richard E. Byrd	Composite Support Facility
Virgin Islands/ Hamilton	Communication-Electronics Training Facility
Vermont/ Burlington	Fire Station
Washington/ Bellingham	Support Equipment Shop
Washington/ Camp Murray	Communication-Electronics Training Facility
Washington/ Paine	Auto Maintenance/Support Equipment Shop

STATE/BASE	PROJECT
Wisconsin/ General Billy Mitchell	Power Check Pad with Suppressor
Wisconsin/Volk	Fire Station
West Virginia/ Martinsburg	Alter Various Building-Energy Conservation Aerial Port Training/Mobility Storage Add to Aircraft Parking Apron
Various Locations	Power Check Pad with Suppressor

Question: For each component, list each project which was approved for planning and design funds in FY 1982 and to date in FY 1983.

Answer: The FY 1982 planning and design funds were used for (1) final design of the FY 1983 MCP, (2) preliminary design of the FY 1984 MCP, and (3) design of Minor Construction Projects (P-341) and residual FY 1982 requirements.

The FY 1983 planning and design funds are being used for (1) final design of the FY 1984 MCP, (2) preliminary design of the proposed FY 1985 MCP, and (3) design of Minor Construction Projects (P-341) and future FY 1983 residual requirements. The attached listing is the projects designed with FY 1982 and 1983 funds as indicated above. P-341 project listings are identified in the response to the following Question. The following is an accounting balance of planning and design funds for FY 1982 and estimated for FY 1983 issued to design agencies:

	FY 1983($000)	FY 1982($000)
Budget	3,600	3,500
Army	2,104	2,787
Navy	511	281
AFRES	206	432
TOTAL	2,821	3,500
Unallocated	779	0

1983 MCP

Component - Command - Location	Project	($ Thousands)
Air Reserve		
Inside the United States		
Luke AFB, Arizona	Apron	970
Luke AFB, Arizona	Composite Maint Fac	3,030
Luke AFB, Arizona	Squad Ops/Group Opns & Trng	2,800
Mather AFB, California	Composite Trng Fac	985
Peterson Field, Colorado	Maint/Fuel Sys Dock	5,530
Dobbins AFB, Georgia	Alter Control Tower	465
Grissom AFB, Indiana	Wpns Release & Elect Countermeasures POD Sh	1,585
Barksdale AFB, Louisiana	Convert to Fuel Sys Maint Fac	700
New Orleans NAS, Louisiana	Flight Simulator	1,100
Westover AFB, Massachusetts	Age Shop/Storage	270
Andrews AFB, Maryland	Conv to Fuels Sys Maint Dock	900
Niagara Falls IAP, New York	Security Police Opns	545
Wright-Patterson AFB, Ohio	Power Check Pad with Suppressor	350
Portland IAP, Oregon	Squad Operations	1,350
Portland IAP, Oregon	Utilities	1,205
Greater Pitts IAP, Pennsylvania	Acft Maint Hangar	3,125
Charleston AFB, South Carolina	Add to Res Forces Aeromed Evac Fac	885
Bergstrom AFB, Texas	Power Check Pad with Suppressor	460
Carswell AFB, Texas	Power Check Pad with Suppressor	590
Carswell AFB, Texas	Add to Rocket Checkout Fac	525
Hill AFB, Utah	Avionics Shop	1,180
Gen B Mitchell Fld, Wisconsin	Alt Jet Fuel Storage	350
		29,000

1984 MCP

($ Thousands)

Component - Command - Location	Project	
Air Reserve		
Inside the United States		
Maxwell AFB, Alabama	Add/Alt Hangar	1,498
Maxwell AFB, Alabama	Fuel Sys Maint Dock	2,457
Luke AFB, Arizona	Hangar/Shops	3,200
Luke AFB, Arizona	Conventional Munitions Shop	950
Luke AFB, Arizona	Age/Shop Storage	620
Luke AFB, Arizona	Munitions Storage	300
March AFB, California	Add to Sqdn Opns	682
Norton AFB, California	Reserve Forces Aeromed Evac Trng Fac	1,465
Norton AFB, California	Civil Engineering Training Fac	650
Travis AFB, California	Add/Alt Res Forces Aeromed Evac Trng Fac	1,045
Homestead AFB, Florida	Add to Squadron Opns	550
MacDill AFB, Florida	Add/Alt Res Forces Aeromed Evac Trng Fac	947
Dobbins AFB, Georgia	Add to Acft Engine Insp & Repair Shop	470
Dobbins AFB, Georgia	Add/Alt Survival Equip Shop	353
Dobbins AFB, Georgia	Add to Warehouse	1,950
New Orleans NAS, Louisiana	Power Check Pad	523
Westover AFB, Massachusetts	Fire Training Fac	325
Minn-St Paul IAP, Minnesota	Composite Training Fac	1,845
McGuire AFB, New Jersey	Add to Res Forces Aeromed Trng Fac	1,430
Niagara Falls IAP, New York	Veh Opns Heated Parking	510
Wright-Patterson AFB, Ohio	Fuel Sys Maint Dock	1,585
Youngstown MAP, Ohio	Veh Maint Shop	1,376
Youngstown MAP, Ohio	Fire Station	1,700
Rickenbacker ANGB, Ohio	Alt Bldg 863-Med Trng/Admin Fac	350
Portland IAP, Oregon	Acft Maint Hangar	1,905
Portland IAP, Oregon	Composite Maint Fac	1,830
Portland IAP, Oregon	Age/Engine Insp & Repair Shop	1,000
Willow Grove NAS, Pennsylvania	Alt Res Forces Opns & Trng Fac	495
Willow Grove NAS, Pennsylvania	Veh Maint Fac	1,028
Hill AFB, Utah	Add/Alt Sqnd Opns	400
Hill AFB, Utah	Acft Generation Shop	470
Hill AFB, Utah	Add to Rocket Checkout & Assy Fac	260
McChord AFB, Washington	Res Forces Aeromed Evac Trng Fac	1,630
		35,799

1985 MCP

($ Thousands)

Component - Command - Location	Project	
Air Reserve		
Inside the United States		
Maxwell AFB, Alabama	Reserve Forces AE Tng	690
Luke AFB, Arizona	Fuel System Maint Dock	1,540
Travis AFB, California	Add to Res Forces O&T Fac	1,174
Eglin AUX 3, Florida	Survival Equip Shop	940
Eglin AUX 3, Florida	Comp Tng Fac-WSSF/Comm/CE	1,450
Homestead AFB, Florida	Avionics Shop/ECM Pod Shop	1,410
Dobbins AFB, Georgia	Navaids/Comm Flight Shop	709
Andersen AFB, Guam	Aerial Port Tng Fac	910
Grissom AFB, Indiana	Aircraft Engine I&R Shop	1,270
Barksdale AFB, Louisiana	ADAL Acft Engine I&R Shop	602
Barksdale AFB, Louisiana	Aircraft Maintenance Dock	4,500
Barksdale AFB, Louisiana	Composite Group Training	3,130
Westover AFB, Massachusetts	Base Civil Engineer Complex	3,000
Selfridge AFB, Michigan	Organization Maintenance Shop	430
Minn-St Paul IAP, Minnesota	Vehicle Maintenance Shop	2,400
McGuire AFB, New Jersey	Medical Services Squadron	750
Niagara Falls IAP, New York	Survival Equipment Shop	675
Rickenbacker ANGB, Ohio	Alt Fuel Sys Maint Dock w/ANG	550
Youngstown MAP, Ohio	Fireman Training Facility	388
Tinker AFB, Oklahoma	Add to Res Forces O&T Fac	550
Portland IAP, Oregon	Aerial Port Tng Fac	550
Greater Pitts IAP, Pennsylvania	Warehouse	1,020
Greater Pitts IAP, Pennsylvania	Aerial Port Addition	550
Willow Grove NAS, Pennsylvania	Squadron Operations	1,845
Bergstrom AFB, Texas	Reserve Force O&T Facility	1,900
McChord AFB, Washington	Add to Aerial Port	440
Gen B Mitchell Fld, Wisconsin	Add to Security Opns-WSSF	450
Gen B Mitchell Fld, Wisconsin	Add to Vehicle Maint Shop	509

Question: For each component list each minor construction project which was approved in FY 1982 and to date in FY 83.

Answer: Minor construction projects accomplished in fiscal year 1982 are as follows:

State/Base	Project	Cost ($000)
California/ March AFB	Alter Bldg 458 for Aircraft Engine I&R Shop	170
	Alter Bldg 453 for Fabrication Shops	130
	Support Equipment Parking/Wash Rack/Fuel Tank	80
	Add to Operational Training Facility	130
Georgia/ Dobbins	Flightline Maintenance Facility	120
	Install 440V Electrical Power to Aircraft Maintenance Hangar	140
Hawaii/ Hickam AFB	Add to Bldg 3416 for Maintenance Control	150
	Add to Bldg 3427 for Base Engineering Maintenance Facility	160
	Flightline Maintenance Facility	170
	Fuel System Maintenance	140
Illinois/ O'Hare IAP	Alter Aircraft Maintenance Control	100
Iowa/Des Moines MAP	Alter Bldg 230 for NDI Shop	120
	Add to Automotive Maintenance Shop	130
	Add to Avionics Shop for ECM Shop	140
Michigan/ Selfridge ANGB	Alter Bldgs 1050 & 537 for RAPCON/ Install GPN-12 Radar	160
	Motorize Hangar Doors	70
Minnesota/ Minneapolis-St. Paul IAP	Petroleum Operations Facility	100
Mississippi/ Key Field	Alter Dining Hall	120
Missouri/ Rosecrans MAP	Construct Hoists in Aircraft Maintenance Hangar	100
Nebraska/ Lincoln MAP	Add to A-3 Taxiway	95
Nevada/ Cannon IAP	Add to Avionics Shop for ECM Shop	170
New Mexico/ Kirtland AFB	Arm/Dearm Apron	170

State/Base	Project	Cost ($000)
New York/ Hancock Field	Aircraft Parking Apron Security	100
Ohio/ Rickenbacker ANGB	Alter Bldg 913 for Security Police Operations	170
Pennsylvania/ Greater Pittsburgh Airport	Add to and Alter Readiness Crew Facility	120
	Arm/Dearm Apron	165
Puerto Rico/ Puerto Rico IAP	Taxiway Gates	67
Rhode Island/ Quonset State Airport	Install 440V Electrical in Hangar P-13	108
South Carolina/ McEntire ANGB	Alter Avionics Bldg 216	170
	Add to and Alter Aircraft Engine I&R Shop	145
Texas/ Garland ANGS	Construct Personnel Parking Areas	120
Vermont/ Burlington IAP	Alter Bldgs 150 & 350	170
Virginia/ Byrd Field	Add to Bldg 3649 for NDI Shop	100
West Virginia/ Kanawha County Airport	Add to Automotive Maintenance Shop	140
	Aircraft Engine Run-up Pad	140
Wisconsin/ General Mitchell Field	Add to Bldg 112 for Security Police Operations	100

Minor construction projects approved to date in FY 1983 are as follows:

State/Base	Project	Cost ($000)
Arizona/ Phoenix IAP	Add to and Alter Building 4 for Readiness Crew Facility	160
California/Fresno Air Terminal	Add to and Alter Automotive Maintenance Shop	140
Connecticut/ Bradley IAP	Mobility Storage Warehouse	164

State/Base	Project	Cost ($000)
Delaware/Greater Wilmington	Alter Building 2819 for Fuel Cell Maintenance Dock	175
Florida/ Jacksonville	'dd to Dining Hall	165
Illinois/ O'Hare	Add to and Alter Security Police Operations Facility	175
Illinois/ Capital	Add to and Alter Avionics Shop	170
Maryland/Glenn L. Martin	Aircraft Parking Apron Security Lighting	160
Maryland/ Andrews	Alter Building 1050 for Fire Station	170
	Base Services Store	195
	Refueling Vehicle Parking Apron	100
Massachusetts/ Otis	Add to Fire Station	145
	Alter Soot Collecting System, Building 160	172
	Alter Heating System for Alert Facility	180
Michigan/ W.K. Kellogg	Arm/Dearm Apron	180
Missouri/ Lambert-St. Louis	Runway Distance Markers	195
Ohio/ Springfield	Mobility Storage Facility	160
South Carolina/ McEntire	Alter Building 60 for Composite Repair Shop	80
Virginia/ Byrd Field	Construction 400HZ Power Stations in Aircraft Maintenance Hangar	80
West Virginia/ Kanawha County	Add to Telecommunication Facility	160
Wisconsin/ Truax Field	Traffic Gate House	139
	Construct Taxiway	165
	Add to and Alter Support Equipment Shop	175
Wyoming/ Cheyenne	Alter Aerial Port Facility	165
	Flightline Maintenance Facility	165

Question: For each component list each minor construction project which was approved in FY 1982 and to date in FY 1983.

Answer: The Air Force Reserve as well as other Reserve components receive lump sum funding for minor construction projects each year. Thus, the following listings for FY 1982 and FY 1983 minor construction projects reflects the projects required to meet the most urgent needs of the Air Force Reserve.

FY 1982

BASE	TITLE	COST($000)
Great Pitt IAP, PA	Const Hazard Stor Blg	117.5
Hill AFB, UT	Aerial Port	150.0
Gen B Mitchell Fld, WI	Vehicle Fuel Station	129.5
Niagara Falls IAP, NY	Relocate Machine Room	64.3
Westover AFB, MA	Alter Hgr 1 Doors	153.0
Great Pitt IAP, PA	Construct Taxiway	157.0
Wright-Pat AFB, OH	Alter Blg 268 OMS	82.6
Tinker AFB, OK	Expand Fire Station	113.5
Wright-Pat AFB, OH	RSS Support	83.2
Offutt AFB, NE	AFSS Ops	171.5
Wright-Pat AFB, OH	Const Multicube Magazine	137.4
New Orleans NAS, LA	Add to Organ Maint Shop	66.2
Richards-Gebaur AFB, MO	Alter Blg 602 Flt Sim	221.4
Richards-Gebaur AFB, MO	Alter Blg 930 ECM Pod	
Peterson Fld, CO	Alter for Aerial Port	145.1
Bergstrom AFB, TX	AFFS Ops	418.7
Homestead AFB, FL	Add to BCE Admin	145.0
Niagara Falls IAP, NY	Extend Culvert	60.2
Youngstown MAP, OH	Alter BCE Shop	98.4
Youngstown MAP, OH	Elec Sub Stor	48.2
O'Hare IAP, IL	Alter Fuel Dock Door	84.8
O'Hare IAP, IL	Aerial Port	3.2
Willow Grove NAS, PA	Alter Fuel Dock Door	107.3
Youngstown MAP, OH	Small Arms	49.6
March AFB, CA	Squadron Operations	93.8
Luke AFB, AZ	Waste Stor Fac	106.0
Westover AFB, MA	Inst Sprinkler COOM	88.0
Grissom AFB, IN	Alter Flight Simulator	82.5
	TOTAL	2,907.9
	TOTAL BUDGET	3,000.0
	UNALLOCATED 3/17/83	92.1

FY 83

BASE	TITLE	COST($000)
Peterson Fld, CO	Rebuild Aircraft Washrack	125.8
Brook AFB, TX	AFSS Operations	148.7
Offutt AFB, NE	AFSS Operations	159.9
Grissom AFB, IN	Alt Conv Munitions Shop	60.5
Westover AFB, MA	Alt Interior Fire Station	170.0
Hill AFB, UT	Addn to Engine Shop	71.8
Great Pitt IAP, PA	Alt AE Flt Facility	173.9
Hill AFB, IT	ADAL AGE Shop	70.9
Fort Sill, OK	Replace Range Tower	164.3
Fort Sill, OK	Replace Flank Tower	186.4
Luke AFB, AZ	Const Waste Storage	106.0
Wright-Pat AFB, OH	Alt Blg 54 for Flt Sim	56.5
Willow Grove NAS, PA	Construct BCE Stor Fac	172.0
Maxwell AFB, AL	Alt Aerial Port Fac	162.6
Maxwell AFB, AL	Alt Avionics	157.5
Maxwell AFB, AL	Alt Maint Control	121.6
Grissom AFB, IN	Upgrade Hangar 26	166.2

FY 83 Cont'd

BASE	TITLE	COST($000)
Grissom AFB, IN	Addn to SP Operations	173.9
Barksdale AFB, LA	Pave RH Compound	73.6
Hill AFB, UT	Const Aerial Port Tng Fac	150.0
Bergstrom AFB, TX	Alt Pave Spike Fac	70.8
Barksdale AFB, LA	Upgrade RH Maint Shop	99.4
Westover AFB, MA	Alt Sq Operations	150.0
Youngstown MAP, OH	Alt Steam Mains	115.4
Westover AFB, MA	Relocate Water Meter Station	75.0
Westover AFB, MA	Const Vehicle Fueling Station	107.0
Gen B Mitchell Fld, WI	Indoor Small Arms Range	125.0
Gen B Mitchell Fld, WI	Addn to Aerial Port Fac	130.0
Youngstown MAP, OH	Alter Airman Dorms	53.4
Minn-St Paul IAP, MN	ADAL Dining Hall	184.5
Richards-Gebaur AFB, MO	Const Hazard Stor	81.0
	TOTAL	3,883.6

Question: Last year the Department reported that the backlog for all Guard and Reserve components was $2.7 billion. What is the estimated backlog this year?

Answer: Our current identified project backlog is about $258 million.

Question: What is requested for each Guard and Reserve component in FY 1984?

Provide a list outlining the funds appropriated for the Guard and Reserve components in the last five years.

What is programmed for each Guard and Reserve component in the next five years?

Answer: The Air National Guard FY 1984 MILCON appropriation request is $79.9 million.

The following list represents the Air National Guard MILCON appropriations for the last 5 years.

FY	APPROPRIATION ($MILLIONS)
79	44.8
80	36.0
81	89.7
82	105.1
83	127.9

FY 1985 and following years' programs will be subject to intensive review in the context of overall service requirements and Congressional limitations on the Defense budget. Accordingly, the preliminary internal plans for funding over the next five years cannot be released at this time since they could be subject to significant change.

Question: Please provide for the record a list from each component, which outlines projects in the FY 1985 program which could be accelerated into FY 1984 for West Virginia and Mississippi. Please provide the Committee with 1391s for these projects.

Answer: The Air Force Reserve does not have any projects required for the State of West Virginia or the State of Mississippi.

Question: Last year the Department reported that the backlog for all Guard and Reserve components was $2.7 billion. What is the estimated backlog this year?

Answer: The Air National Guard backlog is estimated to be $543 million after the execution of the proposed fiscal year 1984 program.

Question: How many Guard and Reserve projects were approved by Congress in FY 1982?
How many 1982 projects have been awarded?
How many 1983 projects have been awarded? What percentage of 1983 projects does this represent?

Answer: The Air Force Reserve as well as other Reserve components receive lump sum funding for the Military Construction program each year. The projects proposed for each program are the most urgent requirements the Air Force Reserve needs to accomplish its assigned mission.

For Fiscal Year 1982, the Air Force Reserve had 22 projects and to date 21 projects have been awarded. The FY 1982 total does not reflect 2 projects reprogrammed for accomplishment with FY 1982 cost savings. The projects are Dobbins Squadron Operations ($1,675,000) and Portland Survival Equipment Shop ($500,000).

For Fiscal Year 1983 we have seven projects under contract with a current working estimate of $11.4 million. These seven projects represent 32% of the total FY 1983 MCP. Execution of the Fiscal Year 1983 program is progressing satisfactorily and it is estimated one hundred percent of the program will be obligated by the end of the fiscal year.

Question: Would you please provide for the record a listing of each of the Guard and Reserve military construction project and each regular component construction project in the FY 1985 program for West Virginia?

For each of these projects, provide for the record either a form 1391 or a comparable narrative statement indicating the installation and location, project cost, description of proposed constructin, the need for the project (including current situation and impact if not provided) and other pertinent data.

Which of these projects could be accelerated into fiscal 1984? Are there any projects programmed for 1986 and beyond which could be accelerated into fiscal year 1984?

Answer: Listed below are West Virginia Air National Guard projects currently programmed for FY 85.

Location	Project Title	Scope	Cost ($000)
Eastern WV Regional Airport	Aerial Port Training/ Mobility Storage	20,950 SF	1,900

Facility is required to support Aerial Port Training and Mobility Storage. There are no existing facilities that can support these functions. Without this facility, mission effectiveness and a satisfactory readiness posture cannot be adequately maintained.

	Energy Conservation	LS	900

Project provides mechanical and structural modifications to conserve energy. Existing structures require large quantities of energy to operate due to inadequate insulation. Existing low efficiency mechanical system uses much larger quantities of energy than modern systems. Without this project, excess energy will continue to be required to operate these facilities.

Add to Aircraft Parking Apron	18,522 SY	1,870

Construct a paved area to provide for aircraft parking, servicing and loading. Existing apron is not adequate and assigned aircraft parking is under a waiver due to minimum space requirements. Without this project aircraft must continue to operate under crowded, hazardous conditions.

The following project could be accelerated into the FY 84 time frame.

Location	Project Title	Cost ($000)
Eastern WV Regional Airport	Energy Conservation	900

There are no FY 86 Air National Guard projects for West Virginia with current design status that support acceleration into the FY 84 time frame.

Question: What is requested for each Guard and Reserve component in FY 1984?

Provide a list outlining the funds appropriated for the Guard and Reserve components in the last five years.

What is programmed for each Guard and Reserve component in the next five years?

Answer: The total Fiscal Year 1984 Military Construction Program request for the Air Force Reserve is $42.2 million.

Funds appropriated for the Air Force Reserve the last five years:

FY	(Million)
83	35.6
82	37.4
81	21.6
80	12.0
79	13.0

FY 1985 and following years' programs will be subject to intensive review in the context of overall service requirements and Congressional limitations on the Defense budget. Accordingly, the preliminary internal plans for funding over the next five years cannot be released at this time since they could be subject to significant change.

Question: How many Guard and Reserve projects were approved by Congress in FY 1982?

How many 1982 projects have been awarded?

How many 1983 projects have been awarded? What percentage of 1983 projects does this represent?

Answer: The Congress approved sixty-three projects for the Air National Guard in fiscal year 1982. Fifty-two of those projects have been awarded.

One fiscal year 1983 project has been awarded. This is one percent of the approved program.

Bids have been opened on 6 projects or 12 percent. In addition, 5 other projects were accelerated from the fiscal year 1983 program and are under construction using prior years cost savings.

Question: Please provide for the record a list from each component, which outlines projects in the FY 1985 program which could be accelerated into FY 1984 for West Virginia and Mississippi. Please provide the Committee with 1391's for these projects.

Answer: Listed below are FY 85 Air National Guard projects for West Virginia and Mississippi that could be accelerated into the FY 84 MILCON program.

State	Location	Project Title	Cost ($000)
Mississippi	Gulfport MAP	Add/Alter Jet Fuel Storage	1,100
		Munitions Maintenance and Storage	796
West Virginia	Eastern WV Regional Airport	Energy Conservation	900

DD Form 1391's for these projects are attached.

1. COMPONENT ANC	FY 19$\underline{85}$ MILITARY CONSTRUCTION PROJECT DATA	2. DATE 22 MAR 83

3. INSTALLATION AND LOCATION Air National Guard Training Site Gulfport, MS	4. PROJECT TITLE ADAL Jet Fuel Storage

5. PROGRAM ELEMENT 59298F	6. CATEGORY CODE 411-135	7. PROJECT NUMBER 40001	8. PROJECT COST ($000) 1,100

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
JET FUEL DISPENSING SYSTEM.................	LS			907
Jet Fuel Storage........................	BL	10,000	80.70	(807)
Alter Existing Jet Fuel Storage...........	LS			(100)
SUPPORT FACILITIES........................				91
Distribution Lines........................	LS			(56)
Fencing.................................	LS			(5)
Electric................................	LS			(10)
Roads, Parking, Walks.....................	LS			(20)
Subtotal..................................				998
Contingency (5%)..........................				50
Total Contract Cost.......................				1048
Supervision, Inspection & Overhead (5%).....				52
Total Request.............................				1100

10. DESCRIPTION OF PROPOSED CONSTRUCTION One 10,000 BL cylindrical jet fuel storage tank with distribution line, fill stand, access road and fencing. Modify existing fuel storage to interconnect with new storage. All required supporting facilities.

11. REQUIREMENT: 20,000 BL ADEQUATE: 10,000 BL SUBSTANDARD: 0

PROJECT: Construct additional jet fuel storage.

REQUIREMENT: Additional jet fuel storage capability to support the training mission.

CURRENT SITUATION: Only one jet fuel storage tank and one fill stand are available to support refueling trucks. A second storage tank and fill stand are required to support refueling operations when the existing tank must be closed for maintenance and repair.

IMPACT IF NOT PROVIDED: There will not be any capability to support refueling operations when maintenance and reapir of the existing storage tank is required.

1. COMPONENT ANG	FY 1985 MILITARY CONSTRUCTION PROJECT DATA	2. DATE 22 MAR 83

3. INSTALLATION AND LOCATION Air National Guard Training Site Gulfport, MS	4. PROJECT TITLE Munitions Maintenance and Storage Facility

5. PROGRAM ELEMENT 59298F	6. CATEGORY CODE 216-642	7. PROJECT NUMBER 43105	8. PROJECT COST ($000) 796

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
MUNITIONS MAINTENANCE AND STORAGE FACILITY..	SF	5100	128.63	656
SUPPORTING FACILITIES......................				41
Electric................................	LS			(4)
Water...................................	LS			(2)
Gas.....................................	LS			(3)
Sanitary Sewer..........................	LS			(2)
Air Conditioning & Heating..............	LS			(18)
Roads, Parking & Walks..................	LS			(15)
Subtotal...................................				697
Contingency (5%)...........................				35
Total Contract Cost........................				732
Supervision, Inspection & Overhead (5%).....				64
Total Request..............................				796

10. DESCRIPTION OF PROPOSED CONSTRUCTION Concrete foundation and floor slab, masonry walls and built-up roof, roll-up doors for movement of aircraft components, 10 ton air conditioner.

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11. REQUIREMENT: 5,100 SF ADEQUATE: 0 SUBSTANDARD: 0
PROJECT: Construction of a Munitions Maintenance and Storage Facility.
REQUIREMENT: An explosive operating facility to build-up, maintain and store rockets and missiles in direct support of combat training mission.
CURRENT SITUATION: Rockets and missiles are currently being built-up and maintained in an open plywood shed located within the munitions storage area. No adequate facility exists to support this requirement.
IMPACT IF NOT PROVIDED: There will not be a facility in which to perform munition maintenance or storage of munitions.

1. COMPONENT ANG	FY 19 85 MILITARY CONSTRUCTION PROJECT DATA	2. DATE 22 MAR 83

3. INSTALLATION AND LOCATION Eastern West Virginia Regional Airport Martinsburg, WV	4. PROJECT TITLE Energy Conservation (ECIP)

5. PROGRAM ELEMENT	6. CATEGORY CODE	7. PROJECT NUMBER	8. PROJECT COST ($000)
59298F		40203	900

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ENERGY CONSERVATION MODIFICATIONS...........	LS			816
Subtotal....................................				816
Contingency (5%)............................				41
Total Contract Cost.........................				857
Supervision, Inspection & Overhead (5%).....				43
Total Request...............................				900

10. DESCRIPTION OF PROPOSED CONSTRUCTION

Modify existing various facilities to conserve energy. Work includes installation of a dropped ceiling with relocated lighting and modifications to mechanical systems.

11. REQUIREMENT:

PROJECT: Provides mechanical and structural modifications to conserve energy.

REQUIREMENT: Shortages of all types of energy sources dictate the need to reduce energy loss and consumption to an absolute minimum.

CURRENT SITUATION: Existing structures require large quantities of energy to operate due to inadequate insulation. Existing low efficiency mechanical systems use much large quantities of energy than modern systems.

IMPACT IF NOT PROVIDED: Construction costs will be amortized by savings in fuel costs.

SUBCOMMITTEE RECESS

The subcommittee will stand in recess until tomorrow at 8 a.m. when we will hear testimony in support of the Army's MILCON budget request.

[Whereupon, at 9.05 a.m., Tuesday, March 15, the subcommittee was recessed, to reconvene at 8 a.m., Wednesday, March 16, 1983.]

MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1984

WEDNESDAY, MARCH 16, 1983

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 8:05 a.m. in room SD 192, Dirksen Senate Office Building, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE ARMY

CHIEF OF ENGINEERS

STATEMENT OF BRIG. GEN. NORMAN G. DELBRIDGE, JR., ASSISTANT CHIEF OF ENGINEERS, OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY

ACCOMPANIED BY:

ALLEN M. CARTON, CHIEF, PROGRAMING DIVISION, OFFICE OF THE ASSISTANT CHIEF OF ENGINEERS

LT. COL. JAMES R. HARVEY, PROGRAMING DIVISION, OFFICE OF THE ASSISTANT CHIEF OF ENGINEERS

BUDGET REQUEST

Senator **MATTINGLY**. The subcommittee will come to order.

This morning the subcommittee will receive testimony on the Army's military construction budget for fiscal year 1984.

The Army is requesting $1.375 billion in new budget authority for military construction, and in addition the Army request for family housing is $1.273 billion. These numbers represent an increase from the fiscal year 1983 appropriation of more than $700 million. I believe this is significant because it indicates to me that the Army is giving serious consideration to their facility requirements.

I look forward to working with the Army during this budget process. I am sure that valid and fully justified projects are included in our bill this year.

INTRODUCTION OF WITNESS

I want to welcome our primary witness, Major General Delbridge. General Delbridge, I see that you have associates with you and it would be appreciated if you could introduce them as we proceed into the testimony.

I understand that you have a prepared statement that can be placed in the record, and that you are going to present your testimony with a slide presentation.

I believe that most of the testimony today will be of an unclassified nature. However, if necessary I am prepared to close the hearing and go into executive session. If you feel that answers to our questions might better be answered in closed session, General, just please let us know.

At this point we are ready to proceed. Welcome again.

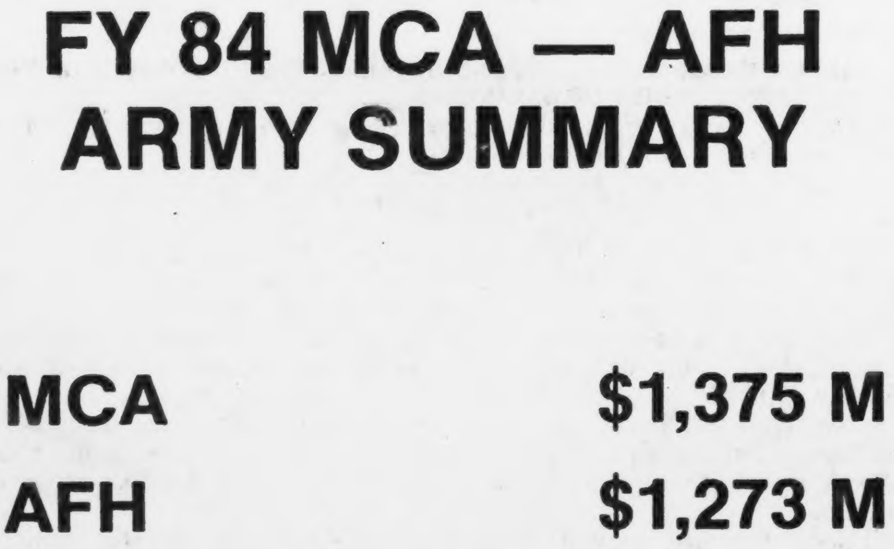
Statement of General Delbridge

SLIDE PRESENTATION

General **Delbridge**. Thank you, Mr. Chairman. It is a pleasure to appear before your committee again to talk about the Army's fiscal 1984 military construction and Army family housing accounts.

Accompanying me at the table is Mr. Allen Carton who is the Deputy Assistant Chief of Engineers, and Lt. Col. Jim Harvey from our Programing Division.

Mr. Chairman, I am going to make a presentation this morning that will cover both of our accounts, military construction and Army family housing.



FY 84 MCA — AFH
ARMY SUMMARY

MCA	$1,375 M
AFH	$1,273 M

Slide 1

BUDGET REQUEST

Our fiscal 1984 military construction budget includes a request for a total appropriation of $1.375 billion. The fiscal year 1984 Army family housing budget includes a request for a total appropriation of $1.273 billion. (slide 1)

Approval of these requests will permit us to continue the program to improve the Army's facilities that you endorsed in approving the Army 1983 Milcon program.

FY 84 MILCON REQUESTS

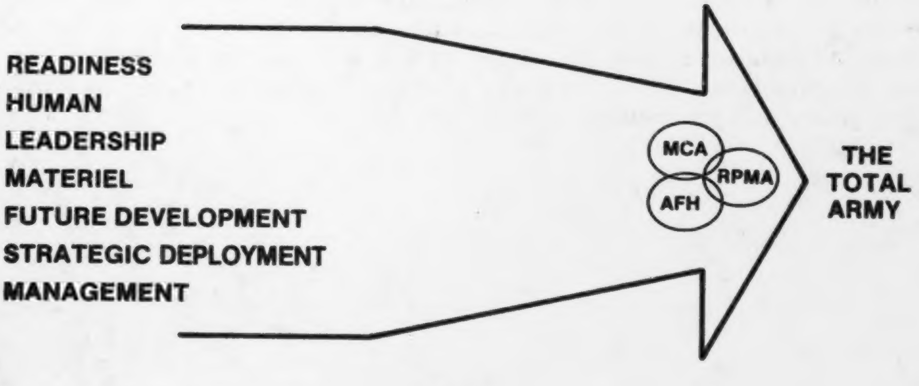
	MCA	AFH
AUTHORIZATION	**$1,343 M**	**$1,273 M**
PROCUREMENT ARMY AMMUNITION	**-10**	**NA**
PREVIOUS AUTHORIZATION	**+42**	**0**
APPROPRIATION	**$1,375 M**	**$1,273 M**

SLIDE 2

MCA REQUEST

The MCA appropriation request includes a companion authorization request of $1.343 billion (slide 2). The appropriation request does not include $10 million for construction at Army ammunition plants. That is a part of the authorization request but is appropriated in the Defense Appropriations Act. However, it does include $42 million for projects previously authorized by this committee. The family housing authorization is equal to the appropriation request this year.

ARMY GOALS



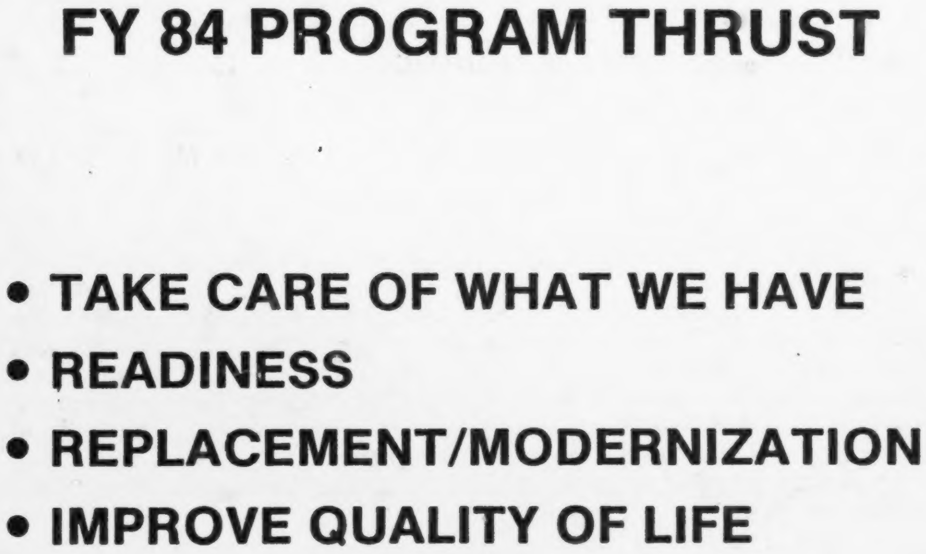
READINESS
HUMAN
LEADERSHIP
MATERIEL
FUTURE DEVELOPMENT
STRATEGIC DEPLOYMENT
MANAGEMENT

THE TOTAL ARMY

SLIDE 3

SEVEN ARMY GOALS

The MCA and Army family housing, along with RPMA, our repair and maintenance Army, account which is funded through the Defense Appropriation Act, provide the necessary links to ensuring that the seven Army goals identified by the Secretary of the Army and the Chief of Staff in their joint fiscal 1984 Army posture statement lead to successful accomplishment of the total Army mission (slide 3). To assist in this effort, we have integrated the planning, programing, and budgeting aspects of our facilities accounts with the ultimate objectives of providing a sufficient quantity of quality facilities for the soldier and his family.



FY 84 PROGRAM THRUST

- TAKE CARE OF WHAT WE HAVE
- READINESS
- REPLACEMENT/MODERNIZATION
- IMPROVE QUALITY OF LIFE

SLIDE 4

READINESS NEEDS

Therefore, the Army's fiscal year 1984 MCA program has been developed with emphasis on taking care of what we have while the Army's readiness needs that include introduction of new equipment and changes in force structure (slide 4). At the same time we are emphasizing plant renewal and modernization to insure improvement of our soldiers' quality of life.

ARMY FACILITIES STATISTICS

1. REPLACEMENT VALUE OF REAL PROPERTY	150 BILLION DOLLARS
2. BUILDINGS (OVER 200,000 BUILDINGS)	1 BILLION SQ. FT.
3. RAILROADS	3000 MILES
4. SURFACED AREAS	538 MILLION SQ. YDS.
5. ACREAGE (EQUAL TO MASSACHUSETTS, CONNECTICUT AND RHODE ISLAND)	12 MILLION ACRES
6. ELECTRIC LINES (9.7 TIMES ACROSS THE U.S.)	25 THOUSAND MILES
7. WATER LINES (4.7 TIMES ACROSS THE U.S.)	12 THOUSAND MILES
8. SEWER LINES (4.3 TIMES ACROSS THE U.S.)	11 THOUSAND MILES

SLIDE 5

ARMY'S REAL PROPERTY INVENTORY

The Army's real property inventory is extensive, 12 million acres and 200,000 buildings (slide 5). It has a replacement value today of over $150 billion. Even though our funding has increased over the past years, we are not able to adequately fund the renewal and modernization of this plant and keep up with facility aging.

AFH — BIG BUSINESS

• TOTAL INVENTORY	171,800 UNITS
• LEASED	15,200 UNITS
• US CONTROLLED	156,600 UNITS
• VALUED AT OVER	$11 BILLION
• AVERAGE AGE	25 YEARS

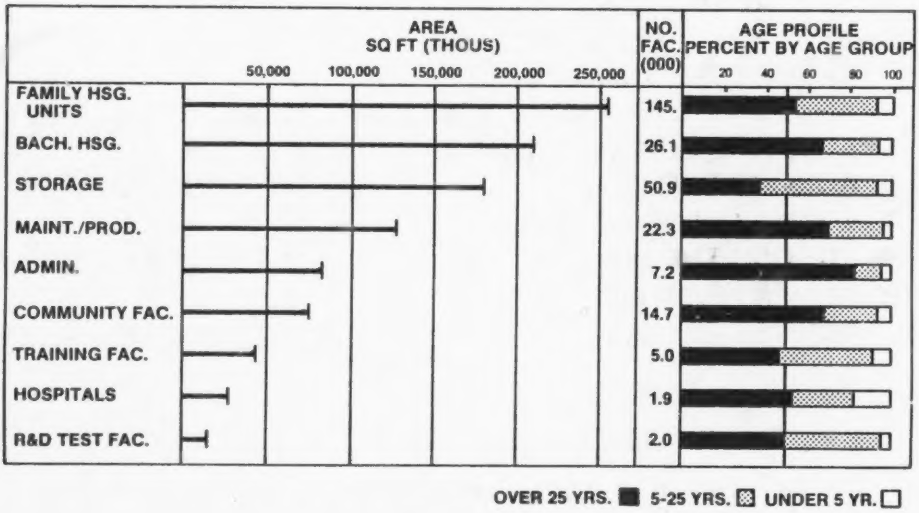
SLIDE 6

FAMILY HOUSING FACILITIES

Included in our inventory are the family housing facilities depicted here (slide 6). We will control almost 172,000 sets of quarters for military families by the end of fiscal year 1984.

MILITARY REAL PROPERTY PROFILE

LARGEST CATEGORIES OF BLDGS. — SIZE AND AGE



SLIDE 7

AGE OF FACILITIES

Our facilities averaged 37 years old this year. Chart 7 depicts that age by category of facilities. Our inability to properly maintain, renew, and replace have led to the backlogs which are shown on this chart.

BACKLOGS

	$ (M)
MCA	24,300
OMA (BMAR)	1,900
AFH DEFERRED MAINT (DMAR)	800
AFH IMPROVEMENTS	1,300
AFH CONSTRUCTION	900

SLIDE 8

MIL CON BACKLOG

The military construction backlog continues to grow to where it is today—$24.3 billion (slide 8). Obsolescence and age require that facilities be replaced to meet the Army's needs. The Army has firm plans that reduce these backlogs and bring them to a manageable level.

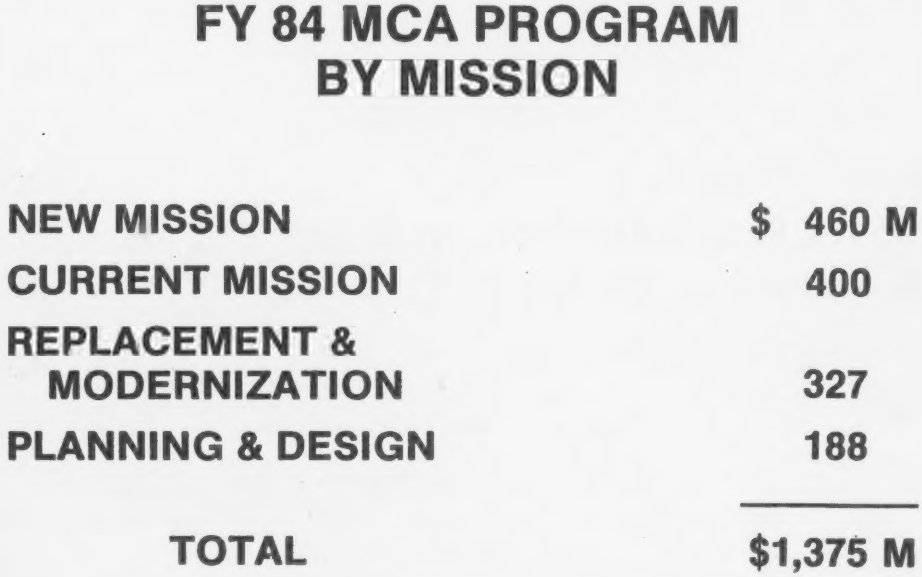
MCA BACKLOGS
(END FY 84)

NEW MISSION	$ 2,700 M
CURRENT MISSION	7,800
REPLACEMENT & MODERNIZATION	13,800
TOTAL	$24,300 M

SLIDE 9

PLANT REPLACEMENT AND MODERNIZATION

The MCA backlogs can be broked down as you see in slide 9. Of principal note is the $13.8 billion for replacement and modernization of an existing aging plant.



FY 84 MCA PROGRAM BY MISSION

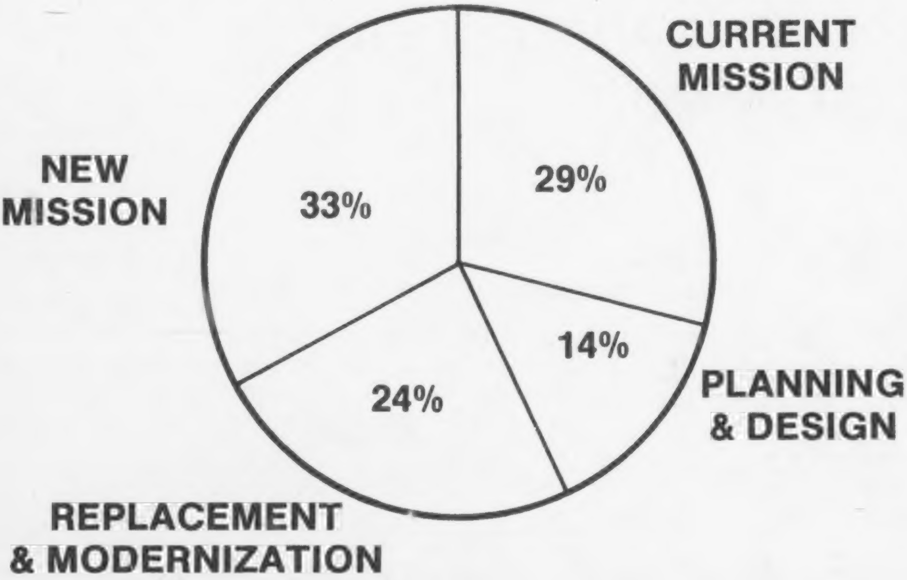
NEW MISSION	$ 460 M
CURRENT MISSION	400
REPLACEMENT & MODERNIZATION	327
PLANNING & DESIGN	188
TOTAL	$1,375 M

SLIDE 10

BREAKDOWN OF ARMY NEEDS

Now this is how we are addressing the Army's needs in our fiscal 1984 MCA program (slide 10).

FY 84 MCA PROGRAM BY MISSION



SLIDE 11

FIELDING OF EQUIPMENT

Approximately one-third is going to meet our Army's new initiatives in fielding of equipment. About a quarter of the budget goes against correcting current mission shortfalls while another quarter is for the plant replacement or renewal (slide 11).

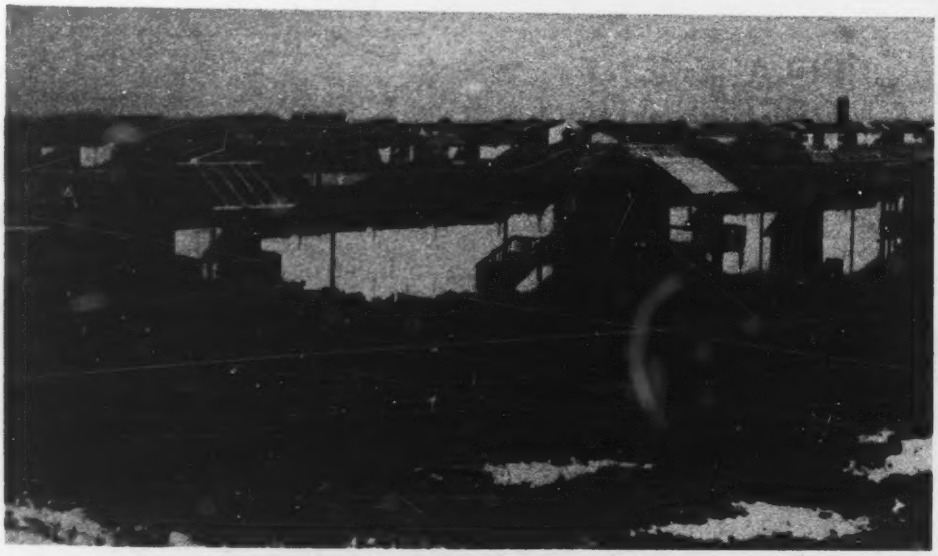
AFH SUBACCOUNTS
FY 84 BUDGET REQUEST
($ MILLION)

CONSTRUCTION	$ 187
OPERATION AND MAINTENANCE	$1,051
DEBT PAYMENT	$ 35
TOTAL	$1,273

SLIDE 12

ADDRESSING FAMILY HOUSING REQUIREMENTS

This is how the family housing requirements in 1984 are being addressed (slide 12). Less than one-sixth of the total funding is being requested for construction.



SLIDE 13

FORT ORD, CALIF., UNITS

Over five-sixths is being used to operate and maintain family housing units such as the recently constructed units that you see here at Fort Ord, Calif. (slide 13) The remaining funds are for the debt payment program.

FY 84 MCA-AFH PROGRAM STRUCTURE

GEOGRAPHICALLY

FACILITY CATEGORY—MCA

FUND APPLICATION—AFH

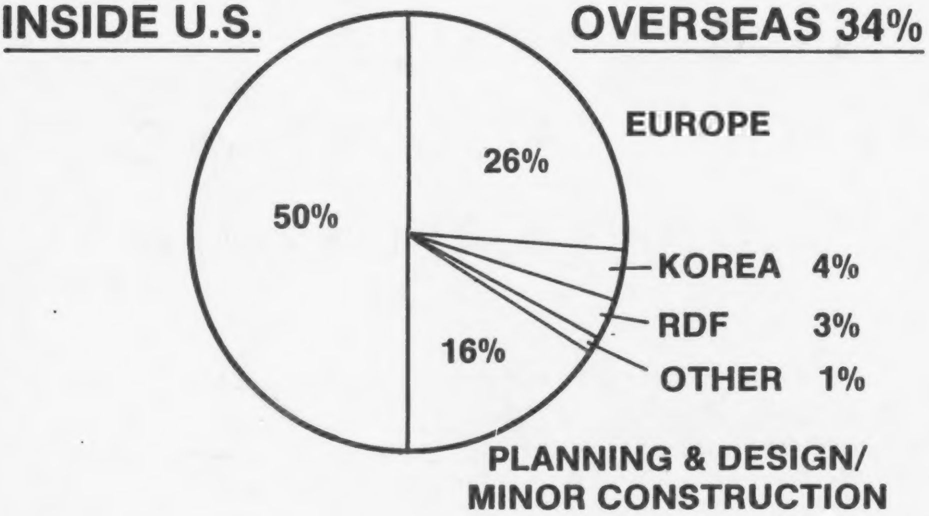
Slide 14

GEOGRAPHIC BREAKDOWN OF PROGRAM

Now, let me show you the program in some detail by breaking it out geographically, then by facility category for military construction and by fund application for family housing (slide 14).

FY 84 MCA PROGRAM INSIDE U.S. VS. OVERSEAS

$1,375M

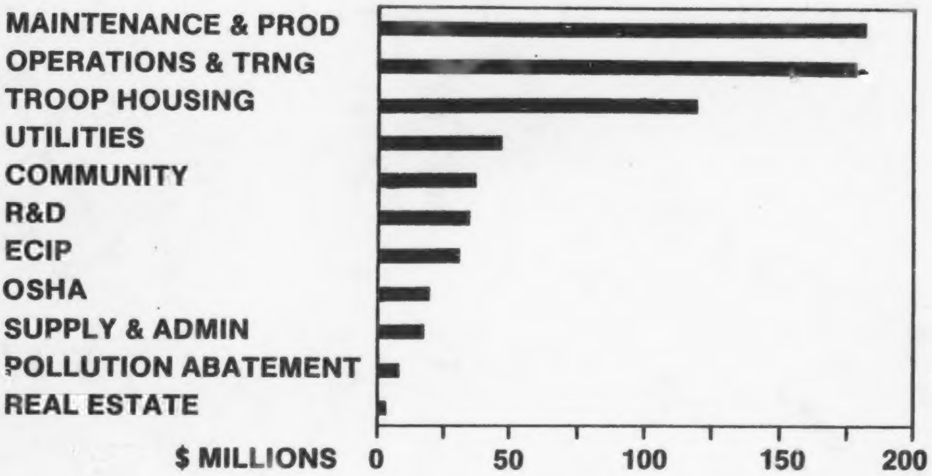


SLIDE 15

FISCAL YEAR 1984 MCA PROGRAM OVERSEAS VERSUS UNITED STATES

First, let us look at the military construction program geographically, where you will see that 50 percent of the program is inside the United States and 34 percent is overseas (slide 15).

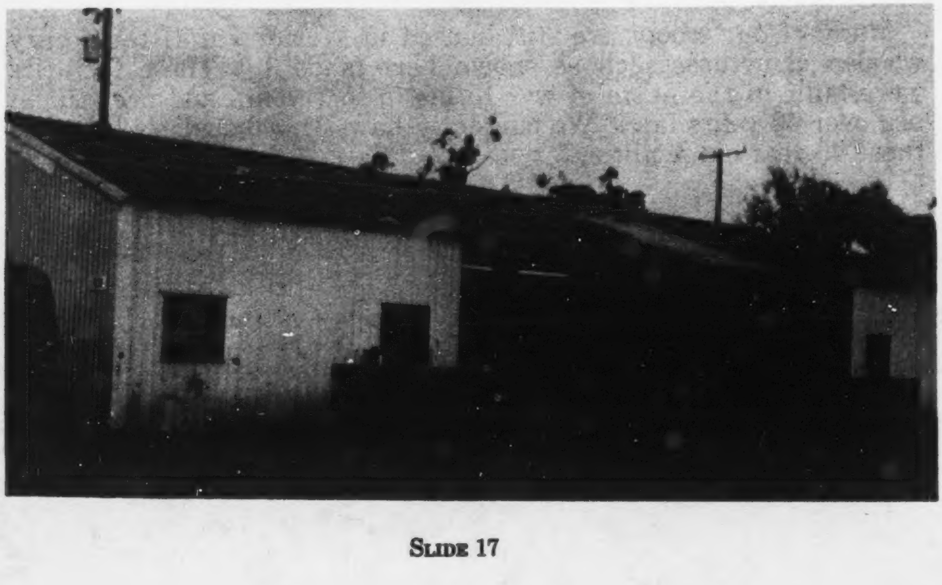
FY 84 MCA INSIDE U.S.
$687M



SLIDE 16

TROOP HOUSING

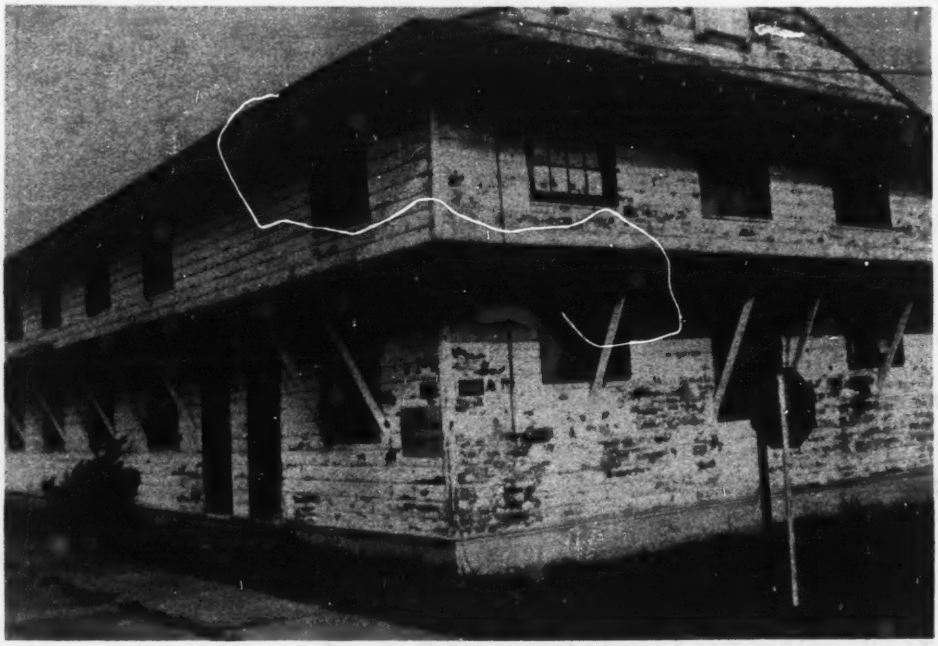
The 50 percent inside the United States amounts to $687 million, with the major emphasis on maintenance facilities and operations and training facilities. You will note there is also a significant emphasis on housing for our troops (slide 16). The program is intended to satisfy mission requirements as well as to correct existing deplorable conditions where our troops work and live.



SLIDE 17

SUBSTANDARD CONDITIONS

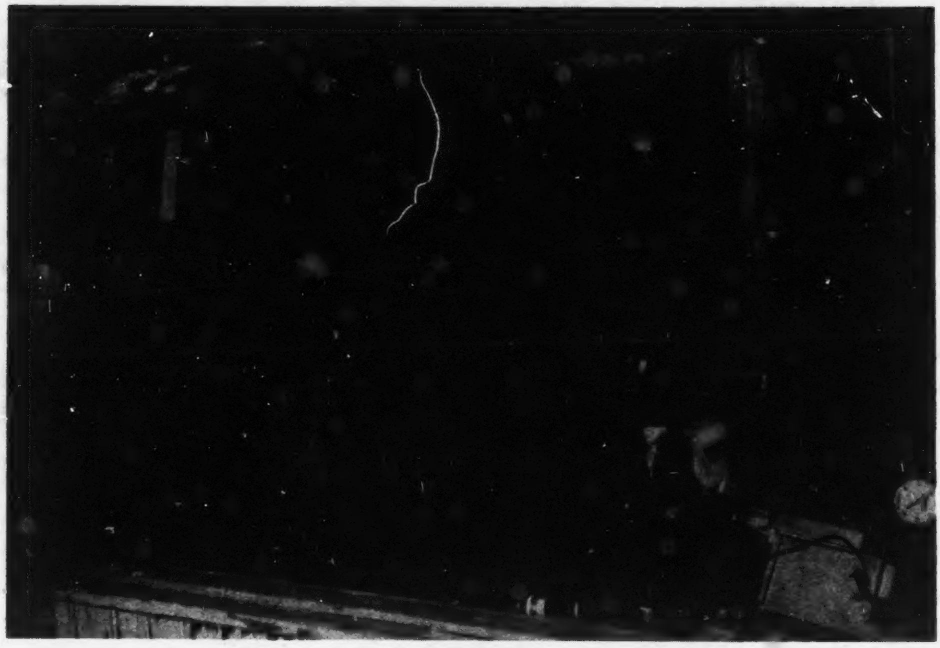
Some examples of these substandard conditions are tactical equipment shops such as the one shown in slide 17 where troops work in undersized facilities open to the elements, and in this case with a roof that must be held down with sandbags. Our fiscal year 1984 request would replace this particular facility.



SLIDE 18

WORLD WAR II STRUCTURES

Many of our troops are still housed in World War II temporary wooden structures such as shown here (slide 18). These facilities were built in the haste of war to last 5 to 7 years and are still in use over 40 years later. We currently have 81,000 soldiers living in these 40-year-old facilities.



SLIDE 19

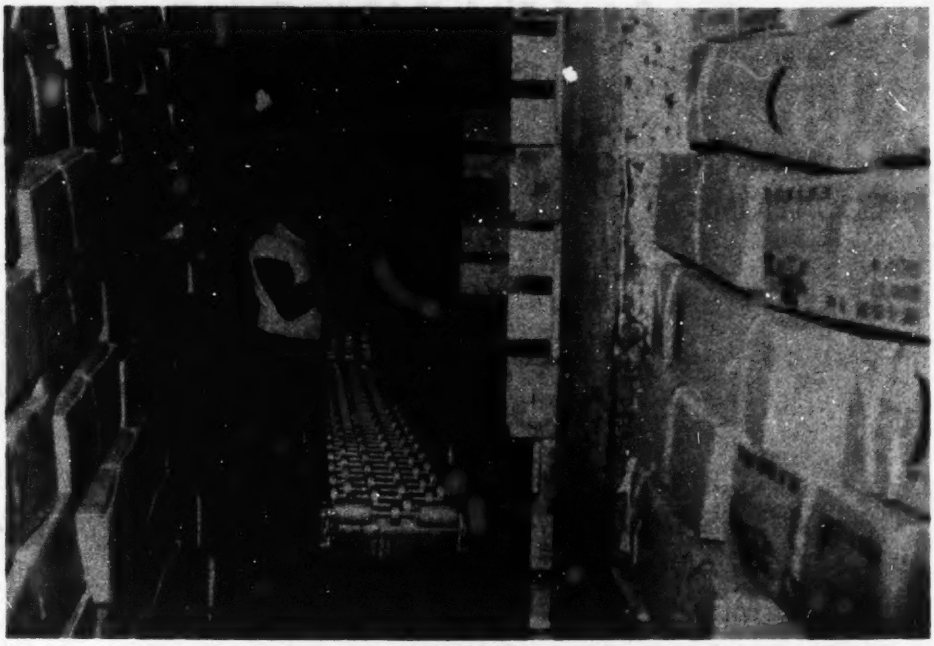
FORT BRAGG FACILITIES

Our utilities are old and deteriorating as seen here in this child care facility at Fort Bragg (slide 19). This facility is currently in use for the care of children of our soldiers. We are asking for three child care facilities in this year's program—one of which will replace this unsafe, deteriorated structure and utility system.

SLIDE 20

STORAGE FACILITIES

Our storage facilities are inadequate and antiquated. The fiscal year 1984 request would replace this POL storage facility currently in use in Hawaii (slide 20).



SLIDE 21

UNDERSIZE AND OVERCROWDING OF FACILITIES

Many of our facilities have not only long since outlived their economic maintainability but are also undersized and overcrowded, as illustrated by this supply facility at Fort Bragg (slide 21) where manual handling is necessary due to cramped space.

FY 84 AFH INSIDE US
$732M

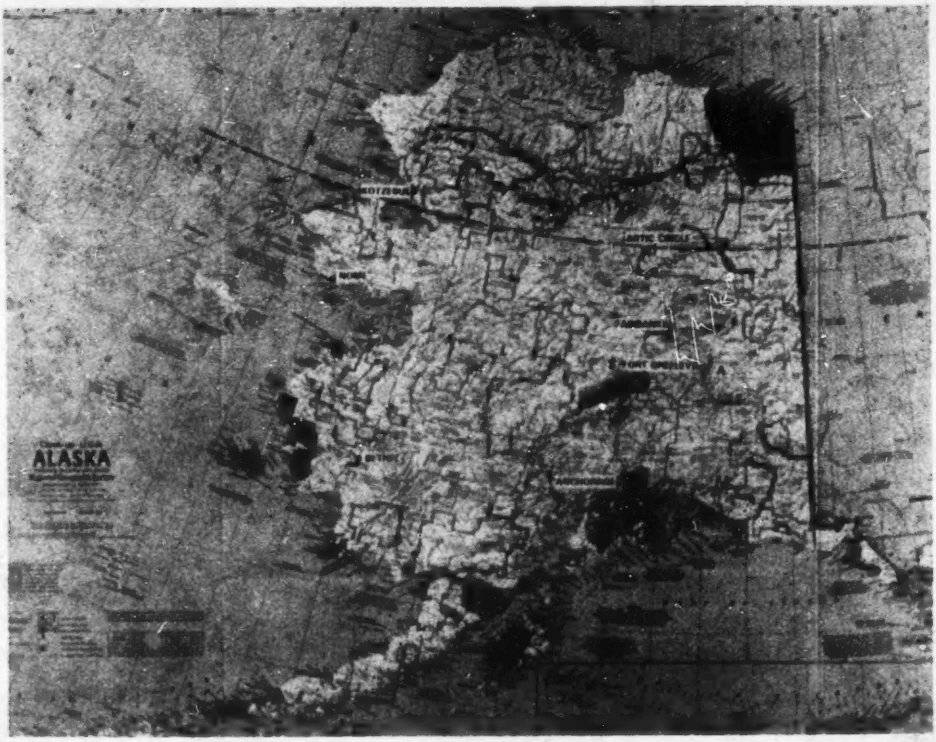
NEW CONSTRUCTION	$46M
LOCATIONS	BETHEL, AK NOME, AK KOTZEBUE, AK FORT GREELY, AK FORT STEWART, GA FORT POLK, LA ALIAMANU, HI
POST ACQUISITION CONSTRUCTION	$62M
OPERATION AND MAINTENANCE	$589M
DEBT PAYMENT	$ 35M

OAHU CONSOLIDATION OF FAMILY HOUSING, $85M INCLUDED ABOVE

Slide 22

U.S.-BASED FACILITIES

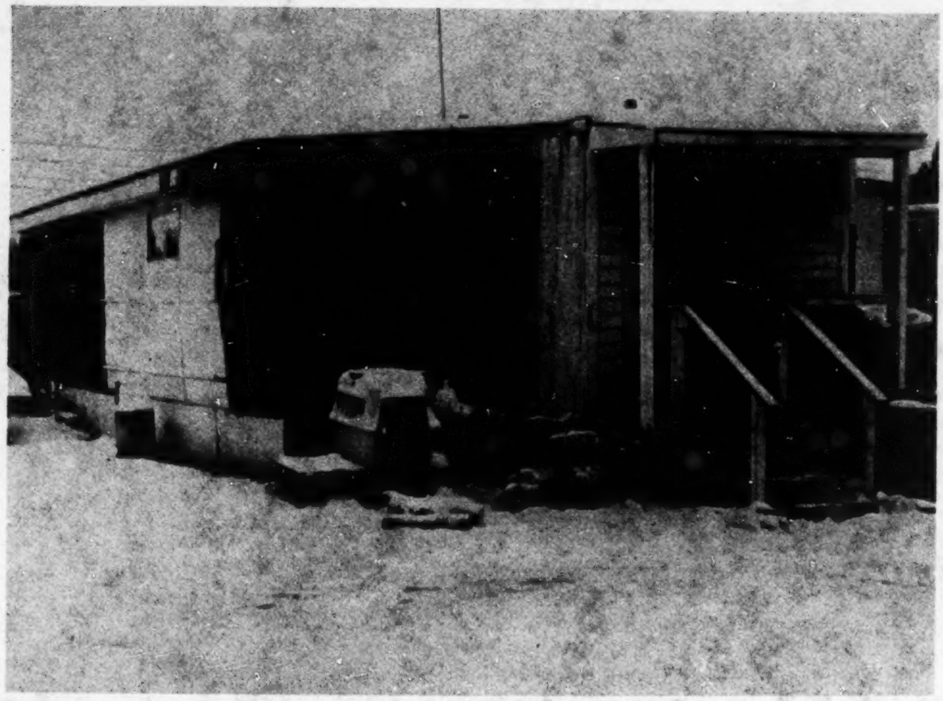
In the area of family housing, over $700 million is for facilities inside the United States (slide 22). This amounts to 57 percent of our program.


KOTZEBUE
ARTIC CIRCLE
ALASKA

SLIDE 23

ALASKA SITES

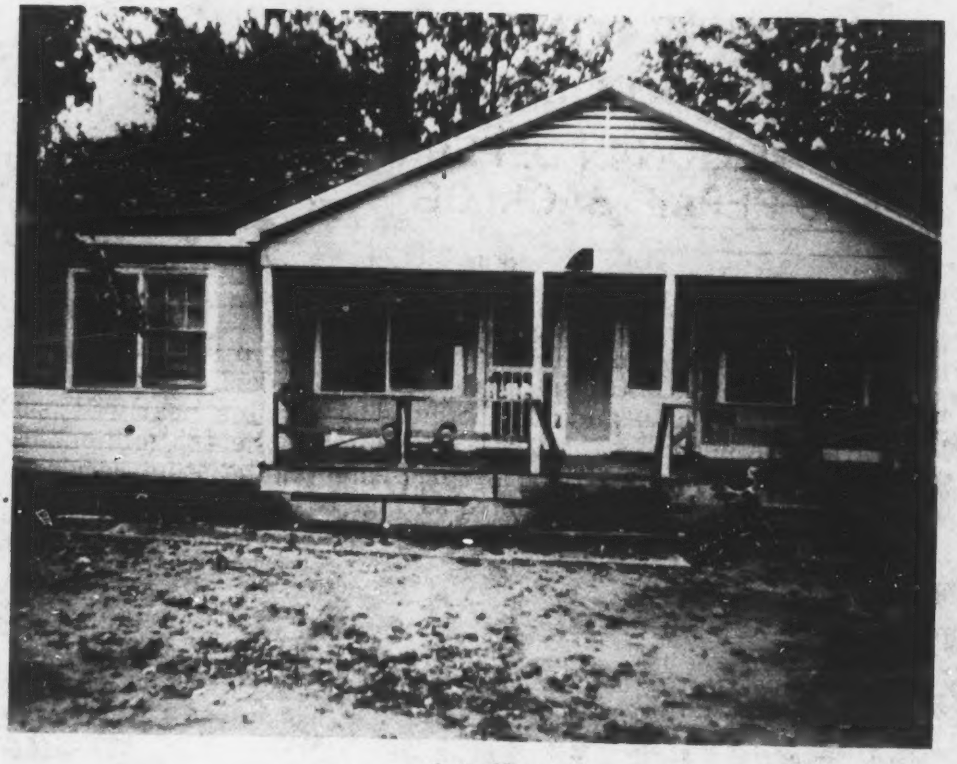
Of our new construction sites, the first four are at sites in Alaska as depicted here in slide 23. As can be seen, the three sites at Bethel, Nome, and Kotzebue are isolated from any major community.



SLIDE 24

SLIDE 25

Slide 26



Slide 27

FORT GREELEY, ALASKA, LIVING CONDITIONS

Slides 24 and 25 show the typical living conditions that our military families currently rent in the Fort Greeley, Alaska, area. Rent for these units varies from $300 to $350 a month plus the utilities which go as high as $400 a month. This is well above what an E-4 or an E-5 has an ability to afford; plus, of course, the inadequate living conditions of these particular units.

LOWER RANKING PERSONNEL HOUSING

Slides 26 and 27 are representative of the types of units that are within the financial capability of our lower graded soldier. At the top is a unit currently rented at Fort Stewart and on the bottom a unit in the Fort Polk area.

FY 84 AFH
OAHU CONSOLIDATION

- 11,828 ADDITIONAL UNITS
- $6.8 MILLION IN IMPROVEMENTS
- $45.7 MILLION IN OPERATIONS
- $32.8 MILLION IN MAINTENANCE
- $57 MILLION IN DEFERRED MAINTENANCE AND REPAIR BACKLOG

SLIDE 28

HOUSING CONSOLIDATION

OSD directed that all military housing on Oahu be consolidated under the Army's control in fiscal year 1984 (slide 28). Accordingly, all Air Force, Navy, and Marine housing totaling nearly 12,000 units will be added to the Army's inventory. The $85 million increase identified here is offset by decreases in the other services' housing programs. OSD estimated savings to be $800,000 per year, however, actual savings will be determined after implementation of the consolidation.

FY 84 MCA OVERSEAS
$468 M

	$ (M)
GERMANY	325
KOREA	60
EGYPT	41
EUROPE VARIOUS LOCATIONS	19
KWAJALEIN	6
TURKEY	5
GREECE	5
ITALY	3
OKINAWA, PANAMA, PUERTO RICO	4

SLIDE 29

OVERSEAS MCA PROGRAM

Let us take a look overseas, Mr. Chairman. Our overseas MCA program accounts for 34 percent of the Army request with the vast majority of this in Germany and Korea(slide 29).

FY 84 AFH OVERSEAS
$541M

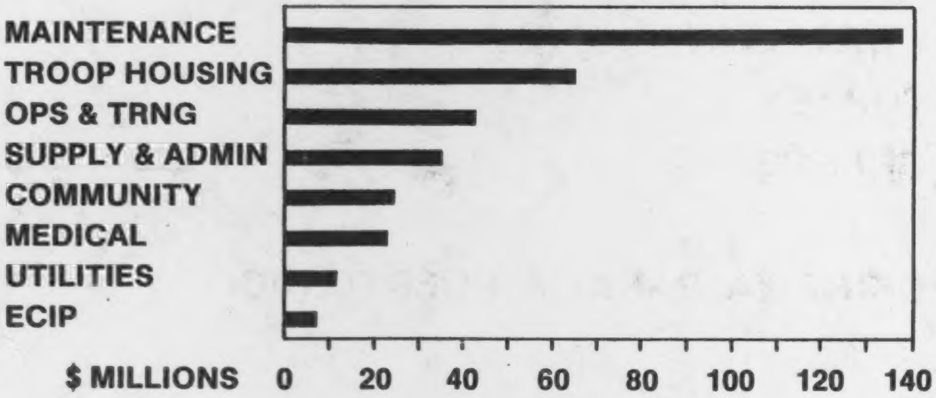
NEW CONSTRUCTION	$ 25M
POST ACQUISITION CONSTRUCTION	$ 53M
OPERATION AND MAINTENANCE	$463M

SLIDE 30

FAMILY HOUSING PROGRAM

In the family housing program, 42 percent is overseas (slide 30). Of this amount 85 percent of $463 million is required just to operate or maintain our current facilities.

FY 84 MCA OVERSEAS
EUROPE $357 M



SLIDE 31

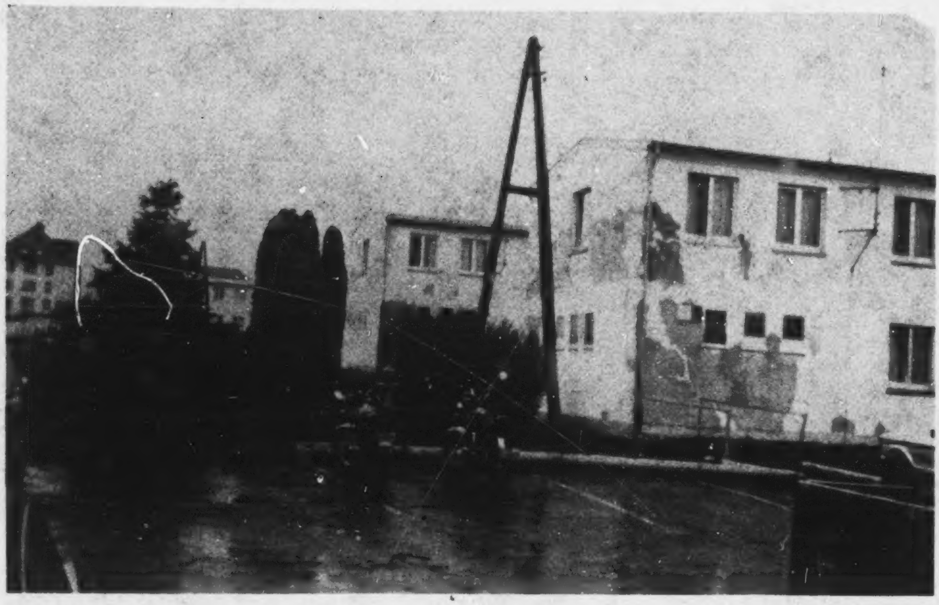
OVERSEAS MILITARY CONSTRUCTION

Looking at the overseas military construction in Europe, including Germany, Turkey, Greece, and Italy, the Army is requesting $357 million which is 26 percent of our program (slide 31). The major emphasis is on maintenance facilities to improve conditions where our troops work. There is also a significant effort to provide better troop housing.

Slide 32

SUBSTANDARD HOUSING CONDITIONS IN EUROPE

Some examples of the substandard conditions in Europe include this maintenance facility at Schwabach (slide 32) where work is done in open bays unprotected from the weather or in the mud where the vehicles are parked. This is generally the condition of many maintenance facilities in USAREUR, but it is definitely getting better and we are making improvements. This particular facility would be replaced if the request for our 1984 funds is approved.



SLIDE 33

FRIEDBURG, GERMANY, BARRACKS

Troops continue to live in substandard barracks such as these at Friedburg, Germany (slide 33). The unsightly appearance is not merely a cosmetic problem but indicative of a design defect which causes continued leakage from the inside out.

SLIDE 34

TRAINING FACILITIES

Training facilities need improvement to meet the needs of more modern and sophisticated equipment. Shown in slide 34 is an inadequate moving target at the Grafenwoehr range. The first year of upgrading has been completed but more is needed to properly train our troops for the modern battlefield.

SLIDE 35

SUPPLY FACILITIES IN GERMANY

This picture shown here (slide 35) is typical of the inadequate and substandard supply facilities in Germany.

SLIDE 36

COMMUNITY FACILITIES IMPROVEMENT

Our troops located overseas have particular needs for improved community facilities to satisfy their off-duty needs. Shown here is a community facility at a remote site in Turkey (slide 36). There is poor interior lighting, poor ventilation and space is inadequate to provide for off-duty recreation.

I have with me today, Mr. Chairman, the Command Sergeant Major of the Corps of Engineers, Command Sergeant Major Leach, who visited these facilities in Turkey and Greece with the Command Sergeant Major of Europe, and is able to answer any additional questions you might have on these kinds of facilities.

SLIDE 37

UTILITY SYSTEMS

Our utility systems are antiquated and not energy efficient. Shown here is an existing heating system in Stuttgart (slide 37) which is inefficient, dilapidated, and very labor intensive. Consolidating and modernizing such facilities will produce fuel and labor savings.

FY 84 AFH OVERSEAS EUROPE $25M

NEW CONSTRUCTION

LOCATIONS: BAYREUTH, GE
KITZINGEN, GE
WILDFLECKEN, GE
VICENZA, IT

NEW CONSTRUCTION IN EUROPE

Family housing new construction in Europe consists of these four sites (slide 38). The three sites in Germany are for the top priority communities requiring additional adequate family housing. The project at Vicenza, Italy, is to provide secure housing for high-ranking U.S. officials. That follows the recent kidnaping event in Italy.

SLIDE 39

POOR QUARTERS

Current military families are forced to live in small, poorly heated quarters such as those shown here in slide 39.

SLIDE 40

HOUSING IN GERMANY

The quarters pictured here (slide 40) are typical, really, of the housing available for military occupancy in the German community. In addition to lack of size, roof lines cause additional problems for arranging furniture and equipment. Lack of adequate heat and proper insulation further add to the inadequate living conditions.

SLIDE 41

HOUSING PRIORITY

General Kroesen, the Army's commander in Europe, indicates that family housing (slide 41) is his principal and most important priority and has been for several years.

SLIDE 42 (not reproducible)

KOREA CONSTRUCTION PROGRAM

The Army military construction program in Korea amounts to $60 million or 4 percent of the program. By far the most critical need in Korea is to improve our troop housing.

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ALPHA
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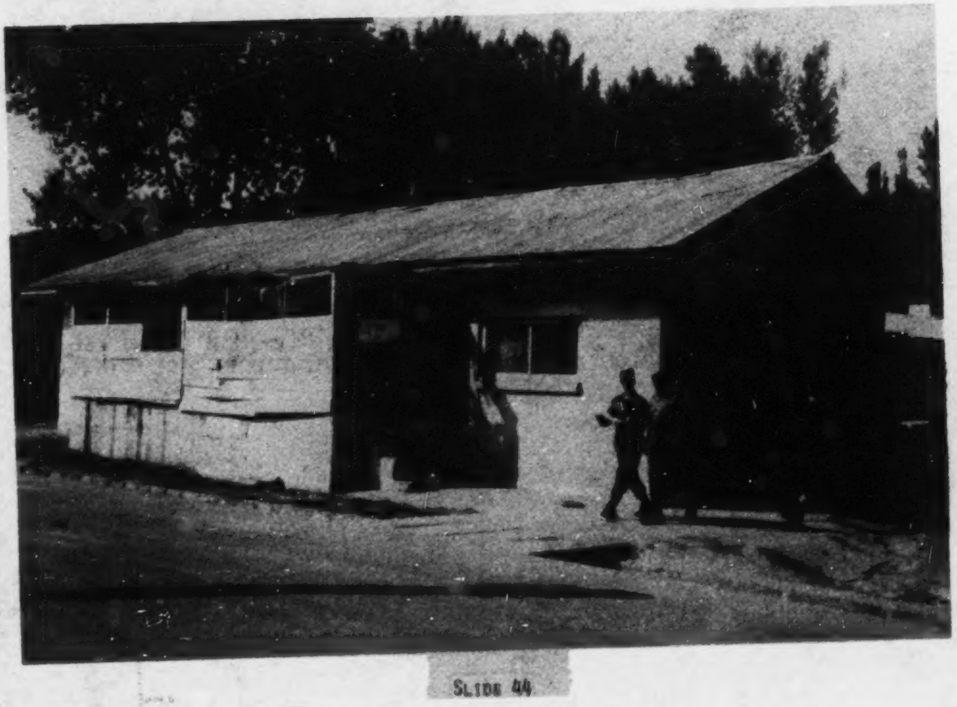
MI BN
COMPANY
T-3543

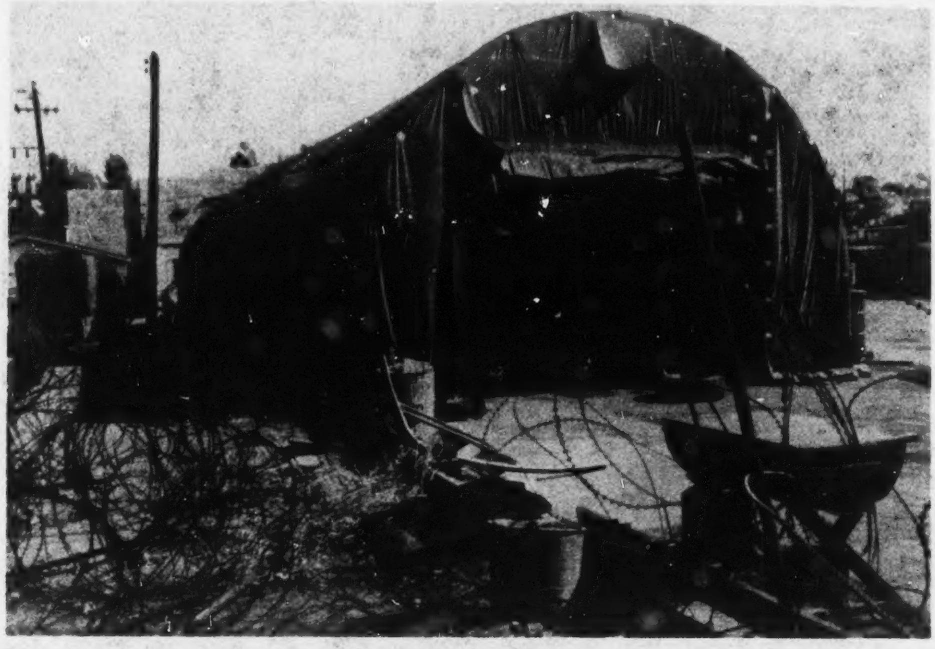
Slide 43



Slide 44

BARRACKS IMPROVEMENT

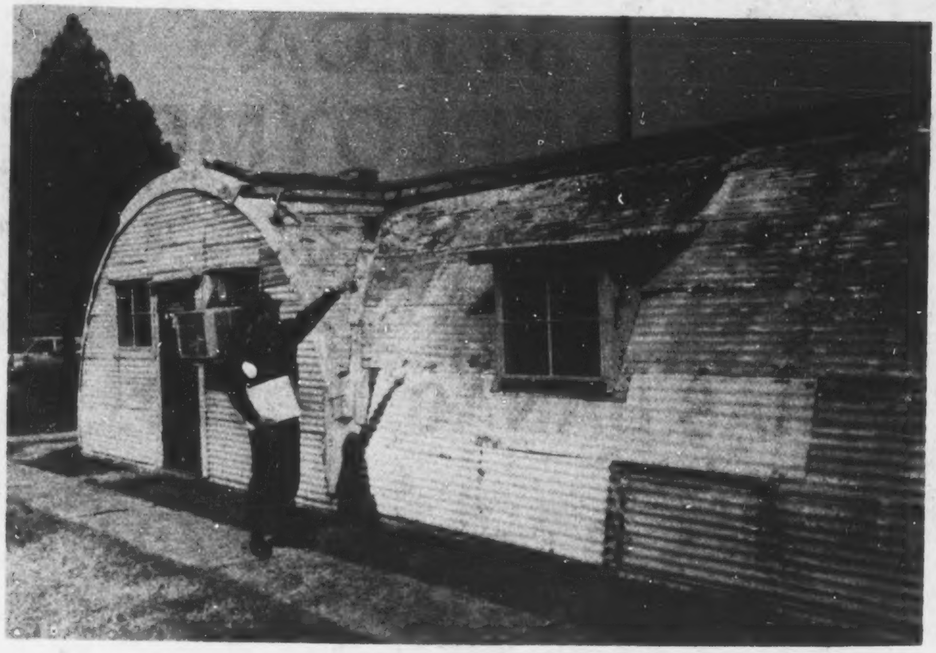
We need to improve the barracks. I wonder how many are encouraged to re-up—as this sign says in front of this barracks (slide 43)—when they are forced to sleep in cramped, uncomfortable, leaking Quonsets such as you see here (slide 44), or eat in facilities such as this. This particular dining facility will be replaced if this request is approved.



SLIDE 45

TENTAGE USE

Or work in facilities such as these (slide 45). Because of lack of facilities, units use organizational tentage on a long-term basis as a garrison maintenance facility. These are dimly lit with incandescent light, not insulated and heated with dangerous gasoline-fired heaters.



SLIDE 46

QUONSET HUTS

Many of our troops not only live but work in these 30-year-old Quonset huts such as this Material Management Center at Camp Carroll (slide 46). It is energy inefficient, dilapidated and has continuous leaks, hence the need for the temporary roofing as shown here.

FY 84 MCA RAPID DEPLOYMENT FORCE

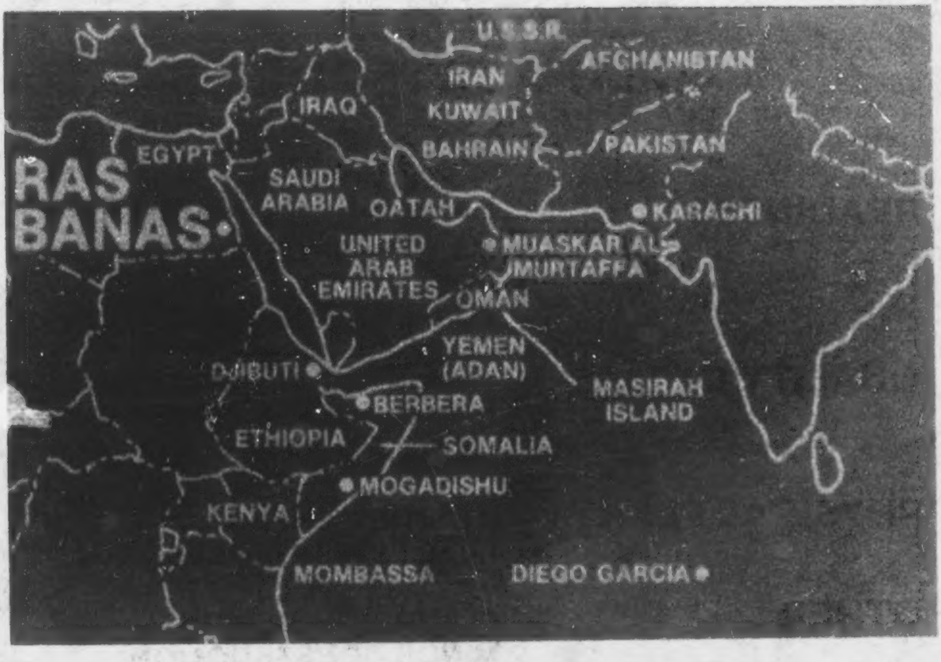
RAS BANAS, EGYPT

$41 M

SLIDE 47

RAS BANAS, EGYPT, FACILITIES

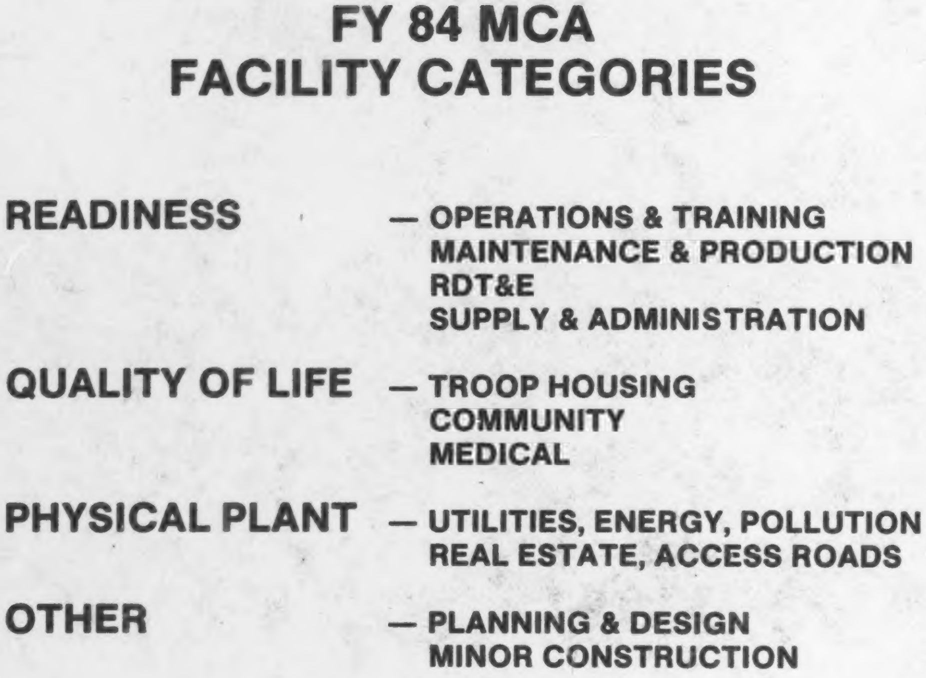
The committee has deferred the Army's fiscal year 1983 request for facilities in Ras Banas, Egypt and requested the Department of Defense to take certain actions. The specific details will be discussed by Defense representatives at a special hearing scheduled by this committee.


U.S.S.R.
AFGHANISTAN
IRAN
IRAQ
KUWAIT
BAHRAIN
PAKISTAN
EGYPT
RAS BANAS
SAUDI ARABIA
QATAR
KARACHI
UNITED ARAB EMIRATES
MUASKAR AL MURTAFFA
OMAN
YEMEN (ADAN)
DJIBUTI
BERBERA
MASIRAH ISLAND
ETHIOPIA
SOMALIA
MOGADISHU
KENYA
MOMBASSA
DIEGO GARCIA

SLIDE 48

SUPPORT FACILITIES CONSTRUCTION

Accordingly, the Army is requesting $41 million to construct port facilities, communications, sewage, maintenance, fuel storage, and warehousing. It is essential that our request be approved to permit the implementation of the concept at the earliest possible time, and to complement the Air Force program which has been approved for this location (slide 48).



FY 84 MCA FACILITY CATEGORIES

READINESS — OPERATIONS & TRAINING
MAINTENANCE & PRODUCTION
RDT&E
SUPPLY & ADMINISTRATION

QUALITY OF LIFE — TROOP HOUSING
COMMUNITY
MEDICAL

PHYSICAL PLANT — UTILITIES, ENERGY, POLLUTION
REAL ESTATE, ACCESS ROADS

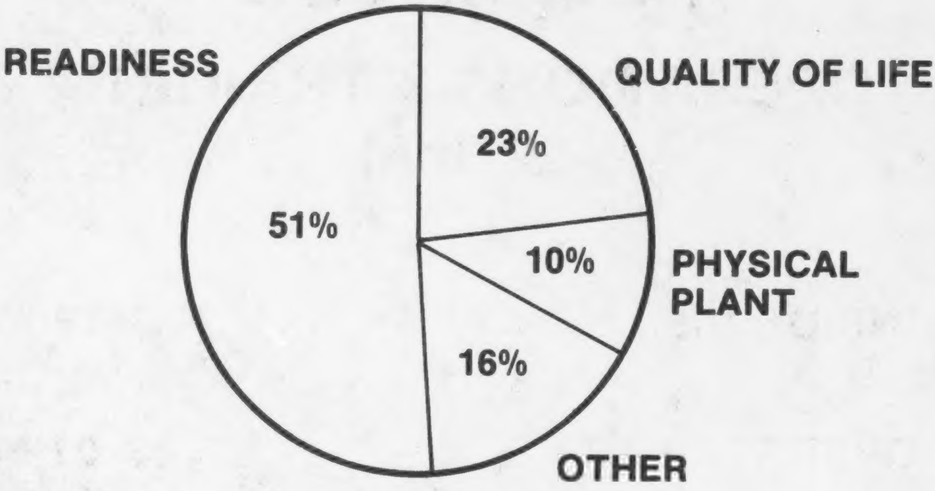
OTHER — PLANNING & DESIGN
MINOR CONSTRUCTION

Slide 49

FISCAL YEAR 1984 MCA FACILITY CATEGORIES

Now let us take a look at the program by facility category (slide 49) after having done so geographically. I grouped the facility categories for military construction into the four major areas as shown on the right.

FY 84 MCA
FACILITY CATEGORIES
$1,375 M



Slide 50

READINESS AND QUALITY OF LIFE

Readiness, which includes the four areas shown (slide 50), accounts for 51 percent of our program. Quality of life accounts for 23 percent of our program.

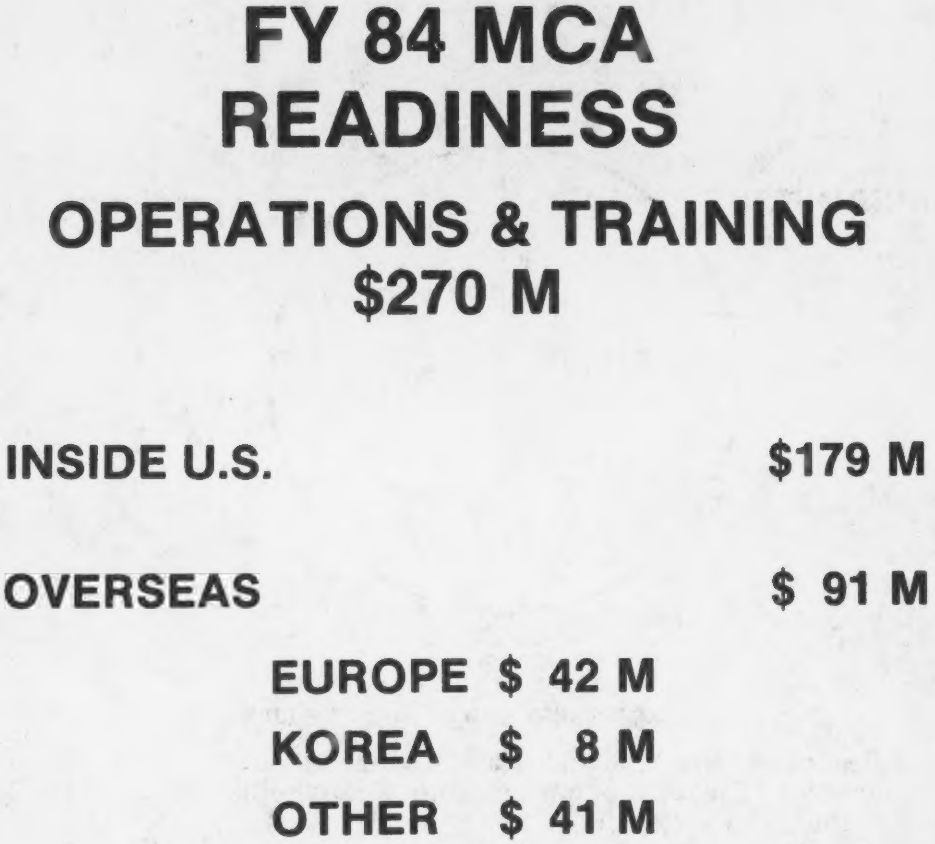
FY 84 MCA
READINESS
$704 M

	INSIDE U.S.	OVERSEAS
OPERATIONS & TRAINING	$179 M	$ 91 M
MAINTENANCE & PRODUCTION	183	148
RDT&E	35	0
SUPPLY & ADMINISTRATION	21	47
TOTAL	$418 M	$286 M

Slide 51

EMPHASIS ON READINESS

The fiscal year 1984 program emphasizes Army readiness in the terms that you see in slide 51. I will talk about each one of these.



FY 84 MCA READINESS

OPERATIONS & TRAINING
$270 M

INSIDE U.S.	$179 M
OVERSEAS	$ 91 M
EUROPE	$ 42 M
KOREA	$ 8 M
OTHER	$ 41 M

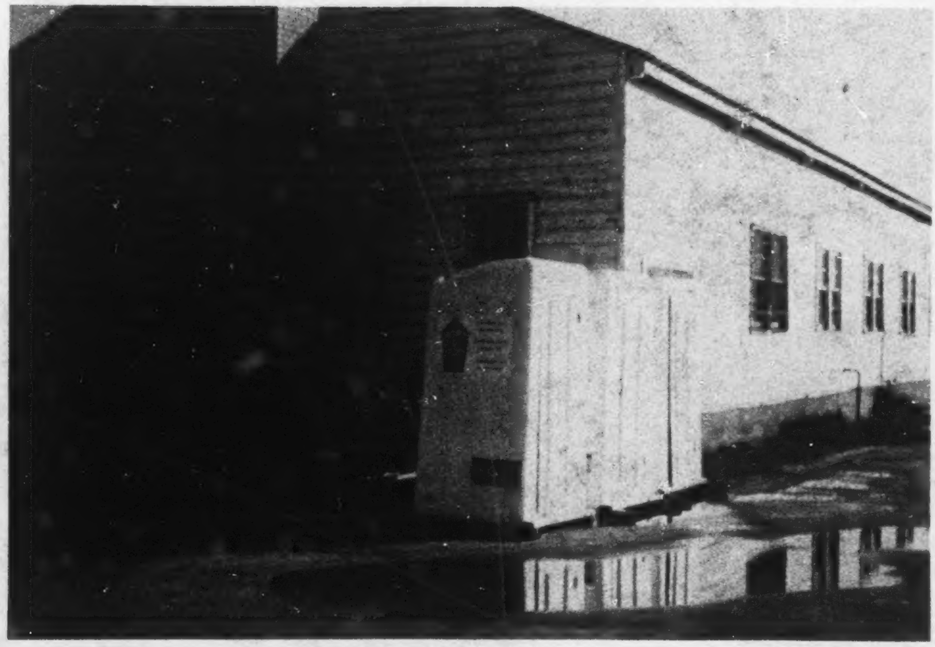
SLIDE 52

First, in the operations and training arena (slide 52), there are five projects to support deployment of an additional Patriot air defense battalion in Germany. NATO will provide the operational facilities for this unit; $15.8 million will be provided by the United States under NATO infrastructure agreements. We actually split the cost about 50-50 on this particular arena.

Slide 53

FLIGHT SIMULATOR BUILDINGS

Our request also includes three new flight simulator buildings (slide 53) for $17 million, one each at Forts Campbell, Lewis, and Rucker, to enable our pilots to maintain proficiency while saving on fuel costs. Each one of these flight simulators will save $3 million annually in fuel and aviation costs alone.



SLIDE 54

TRAINING FACILITIES

We have 20 training facilities of various types in the program for $53 million, including food service facilities at Fort Lee, Va.; a weapons training facility at Aberdeen, Md., and facilities in support of the National Training Center at Fort Irwin. All of them will be more modern than the classroom you see here (slide 54) where the plumbing has long since gone and other means must be utilized.

FY 84 MCA
READINESS

RANGE IMPROVEMENTS
$102 M

• MULTI-PURPOSE TRAINING RANGES (5)	66
• FIGHTING VEHICLE RANGES (2)	17
• DIVAD RANGE (1)	9
• INFANTRY REMOTE TARGET SYSTEM RANGES (2)	9
• OTHER RANGES (2)	1

SLIDE 55

RANGE IMPROVEMENTS

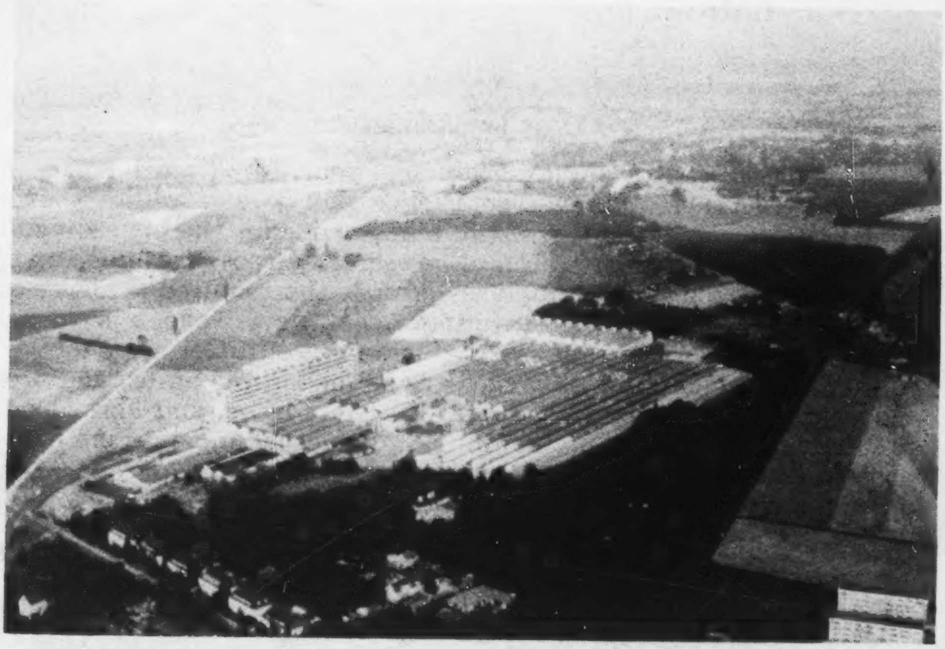
A major portion of our program this year, Mr. Chairman, is in the area of range improvements (slide 55). Twelve military construction projects totaling $102 million provide for the upgrading of existing ranges or construction of new multipurpose training range complexes. These range complexes provide the required facilities to accommodate the increased firepower of new weapon systems. There are two infantry fighting vehicle ranges in Germany for $17 million. The remaining 10 ranges are in the United States and provide multipurpose ranges at Fort Bliss, Fort Riley, and Fort Hood. Small arms ranges at Fort Benning, Fort McClellan, and Fort Richardson, Alaska, and a DIVAD range at Fort Bliss.

FY 84 MCA
READINESS

NORTHAG SUPPORT COMPLEX
$16.5 M

- RHEINBERG, GERMANY
- PURCHASE OF EXISTING LEASED FACILITIES

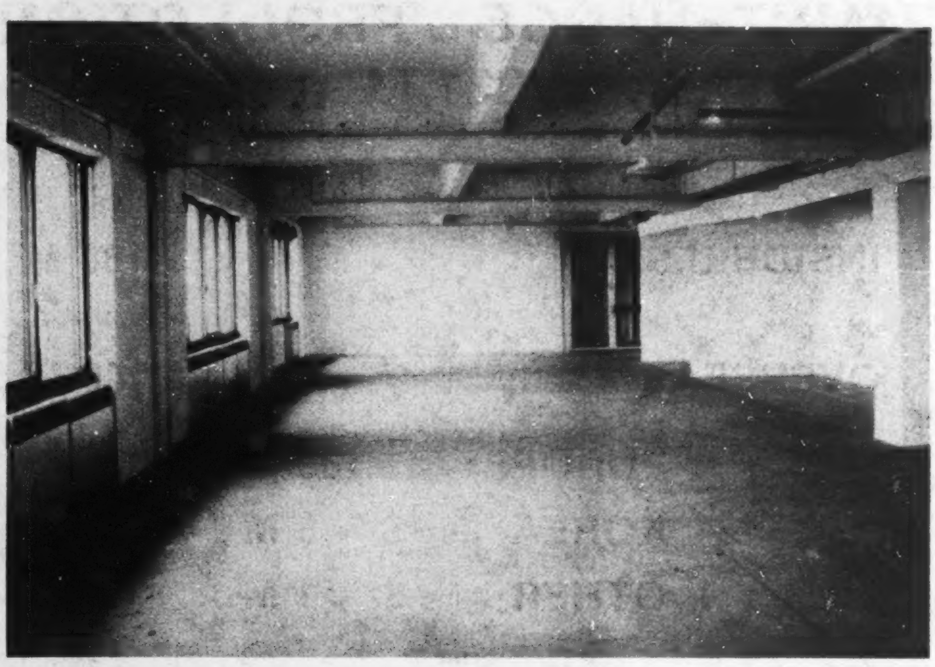
SLIDE 56



SLIDE 57

RHEINBURG, GERMANY, SUPPORT COMPLEX

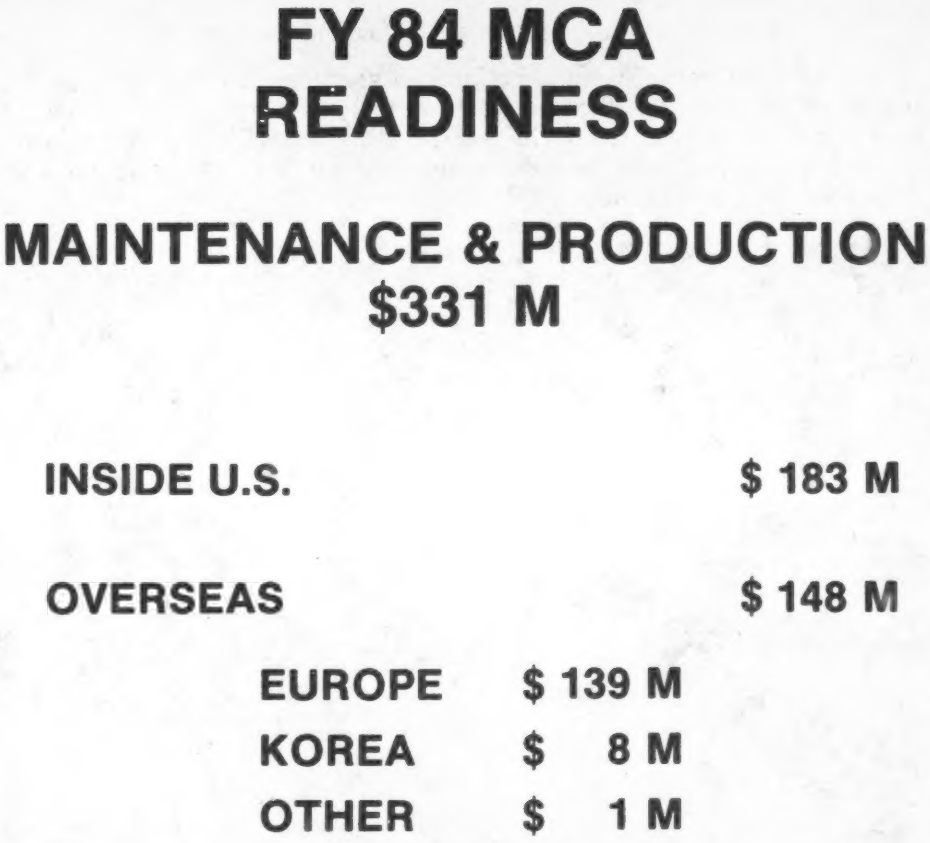
The support complex for U.S. forces stationed at remote sites in northern Germany is located at Rheinberg, Germany. Purchase of this complex shown from the air in slide 57 will provide a long-needed and greatly improved community for the 5,000 soldiers and dependents now stationed in this area.



Slide 58

FACILITY COST

When completed, this modern, well located facility will cost the U.S. Government less than $40 per square foot as compared with similar new facilities which would cost about $100 per square foot. The German Government would purchase the land for this particular facility (slide 58).



FY 84 MCA READINESS

MAINTENANCE & PRODUCTION
$331 M

INSIDE U.S.		$ 183 M
OVERSEAS		$ 148 M
	EUROPE	$ 139 M
	KOREA	$ 8 M
	OTHER	$ 1 M

Slide 59

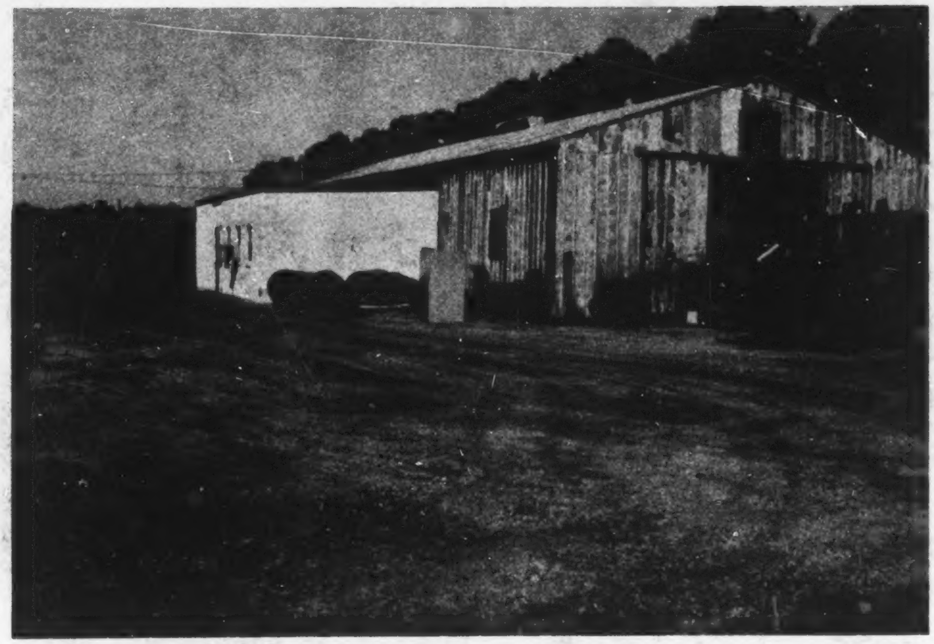
MCA PROGRAM MAINTENANCE FACILITIES

Maintenance facilities at $309 million and production facilities at $22 million comprise the largest portion of our MCA program (slide 59). This represents 58 facilities, half of which are required to properly field new equipment.

SLIDE 60

TACTICAL EQUIPMENT SHOPS

The largest category, tactical equipment shops, comprises 32 facilities at $153 million to provide adequate facilities. Examples of facilities currently in use include this tactical equipment shop at Camp Casey in Korea (slide 60).



SLIDE 61

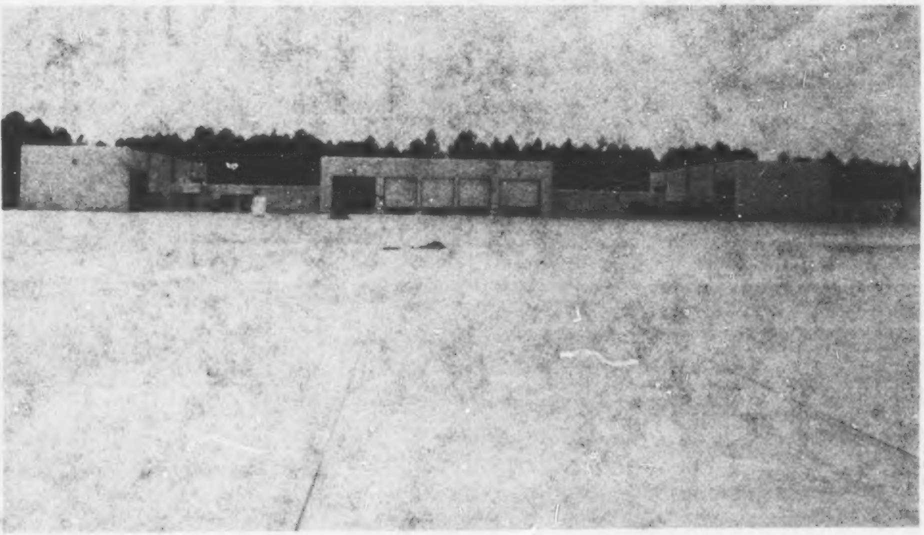
FORT STEWART, GA., SHOP

This tactical equipment shop at Fort Stewart, Ga., (slide 61) which is deteriorated and inadequate.

SLIDE 62

FRIEDBURG, GERMANY, CONDITIONS

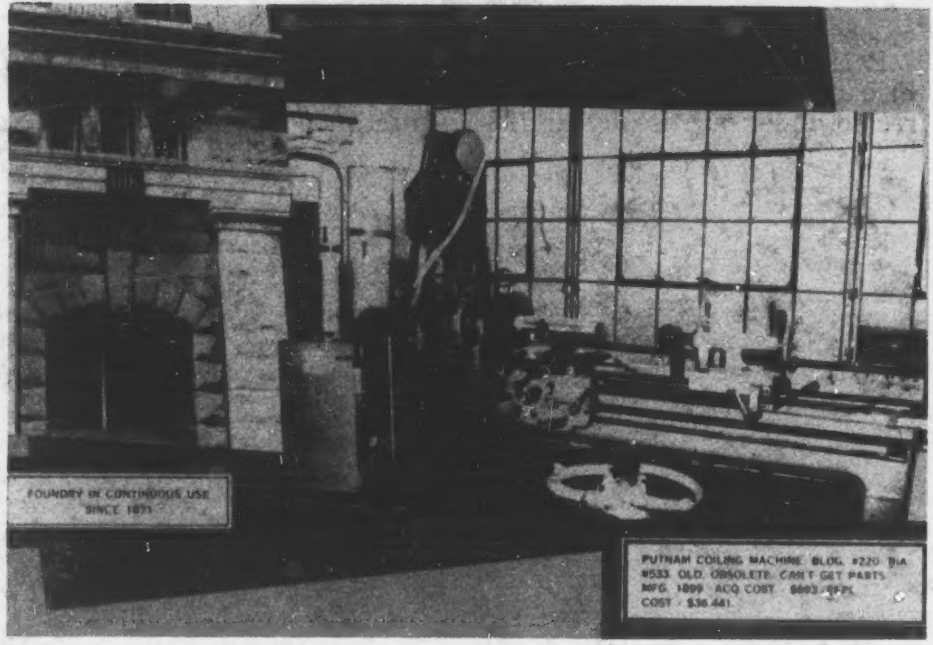
Parking in the mud and nonexistent tactical equipment shops at Friedburg, Germany (slide 62). All of these conditions will be corrected under our fiscal year 1984 request.



SLIDE 63

FORT STEWART, GA., EQUIPMENT MAINTENANCE

Our program is designed to properly maintain our equipment in new facilities such as this one (slide 63) recently constructed at Fort Stewart, Ga.


FOUNDRY IN CONTINUOUS USE
SINCE 1871
PUTNAM COILING MACHINE BLDG #220 DIA
#533 OLD OBSOLETE CAN'T GET PARTS
MFG 1899 ACQ COST $803 REPL
COST $36,441

SLIDE 64

ROCK ISLAND ARSENAL PROJECT

Now, this project at Rock Island Arsenal, referred to as REARM, (slide 64) will modernize existing armament manufacturing facilities which date back to the Civil War, such as the foundry shown on the right which has been in continuous use since 1871.

FY 84 MCA
READINESS

REARM FACILITY
$22 M

- ROCK ISLAND ARSENAL, ILLINOIS
- MODERNIZE WEAPONS MANUFACTURING FACILITY
- PHASE 1 OF 3 PHASES

SLIDE 65

FISCAL YEAR 1984 CONSTRUCTION REQUEST

The construction request in 1984 for $22 million provides a complete and usable facility as the first phase of a three-phase construction effort totaling approximately $92 million. The economic significance of this project is shown in the savings to investment ratio of 1.82 to 1 and allows for a payback in approximately 8 years (slide 65).

SLIDE 66

AMMUNITION STORAGE FACILITIES

The final area in the readiness area is ammunition storage facilities, some of which will alleviate the problem shown here (slide 66) that exists at Kitzingen, Germany, where storage facilities are filled to capacity and ammunition is stored in the open, exposed to the elements. There are a total of 15 ammunition storage facilities at a programed amount of $47 million.

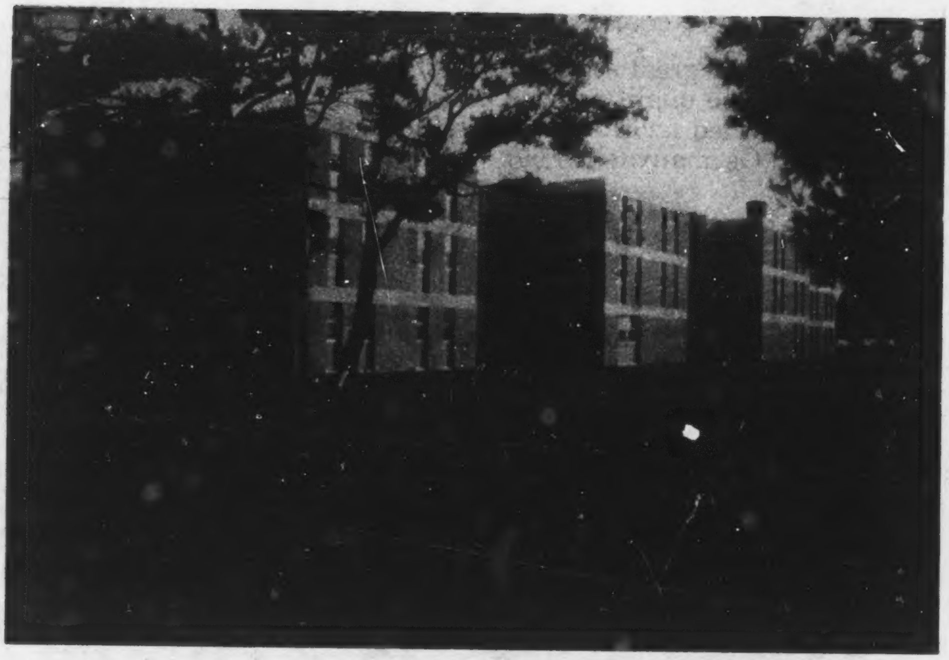
FY 84 MCA
QUALITY OF LIFE
$314 M

	INSIDE U.S.	OVERSEAS
TROOP HOUSING	$120 M	$ 95 M
COMMUNITY	37	37
MEDICAL	0	25
TOTAL	$157 M	$157 M

SLIDE 67

QUALITY OF LIFE

Mr. Chairman, the next area I would like to address is quality of life (slide 67). The fiscal year 1984 quality of life program attempts to strike a balance between the needs of our service members within CONUS and those overseas. We feel that troop housing returns the highest dividends and receives 68 percent of our quality of life emphasis within the MCA program. The increased emphasis on physical fitness demands suitable facilities. We have these programed as the core of our community enhancement efforts. A relatively modest but essential medical facilities request completes the quality of life submission.

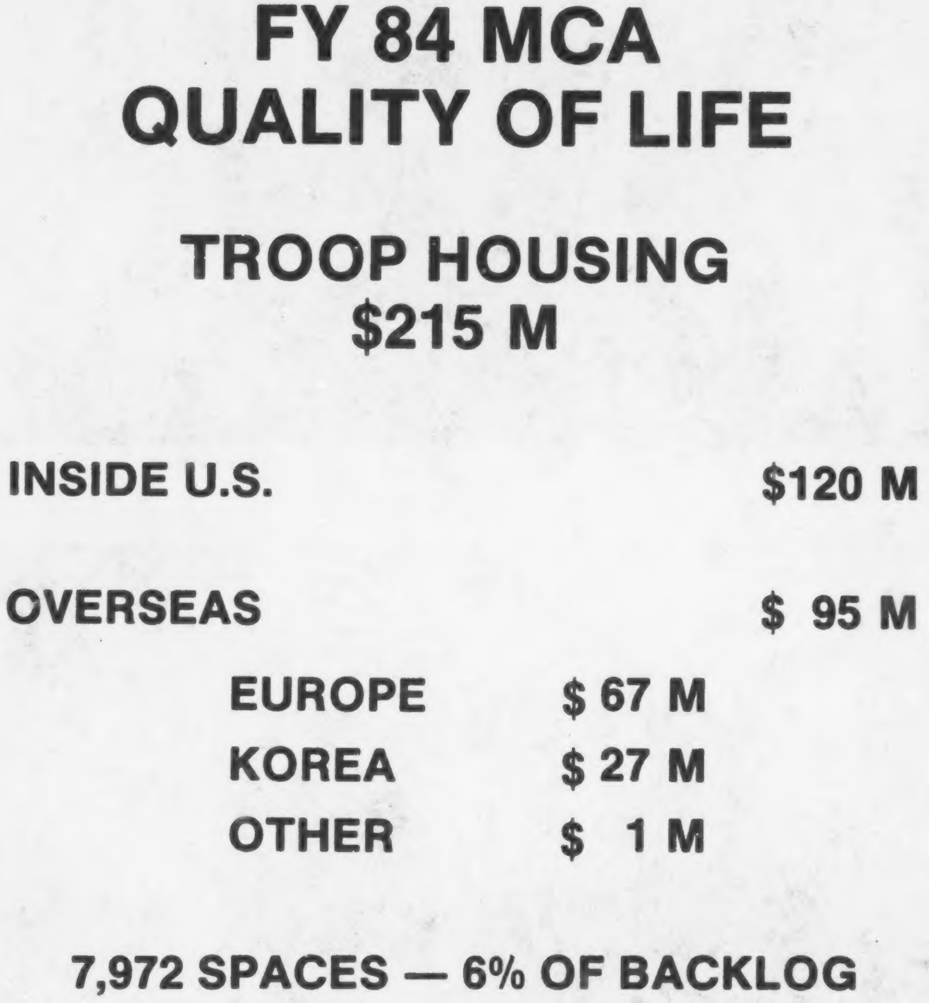


Slide 68

Slide 69

UNACCOMPANIED PERSONNEL HOUSING

We have made great strides in the last few years, Mr. Chairman, in improving the quality of our unaccompanied personnel housing. We have provided facilities such as these at Fort Devens (slide 68), and these in Germany (slide 69).



FY 84 MCA
QUALITY OF LIFE

TROOP HOUSING
$215 M

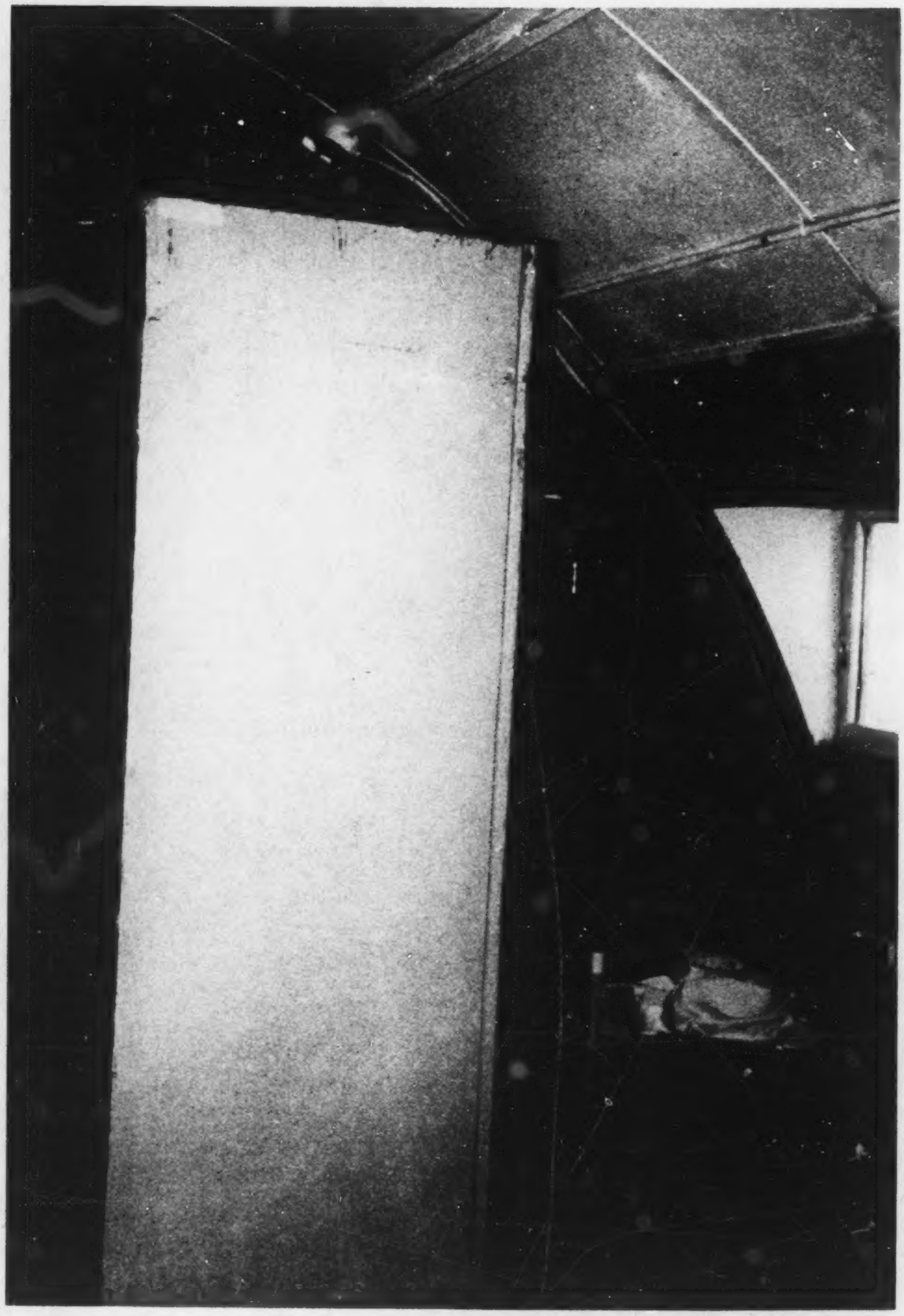
INSIDE U.S.		$120 M
OVERSEAS		$ 95 M
EUROPE	$ 67 M	
KOREA	$ 27 M	
OTHER	$ 1 M	

7,972 SPACES — 6% OF BACKLOG

Slide 70

CONGRESSIONAL SUPPORT

The Congress has been generous in supporting our requests and we greatly appreciate that.



SLIDE 71

TROOP HOUSING FACILITIES

But the battle is far from won as slide 71 shows. The fiscal 1984 program includes $67 million for 13 troop housing facilities in

Europe; $27 million for four projects in Korea, and $120 million for new and modernized billets in the United States.

Slide 72

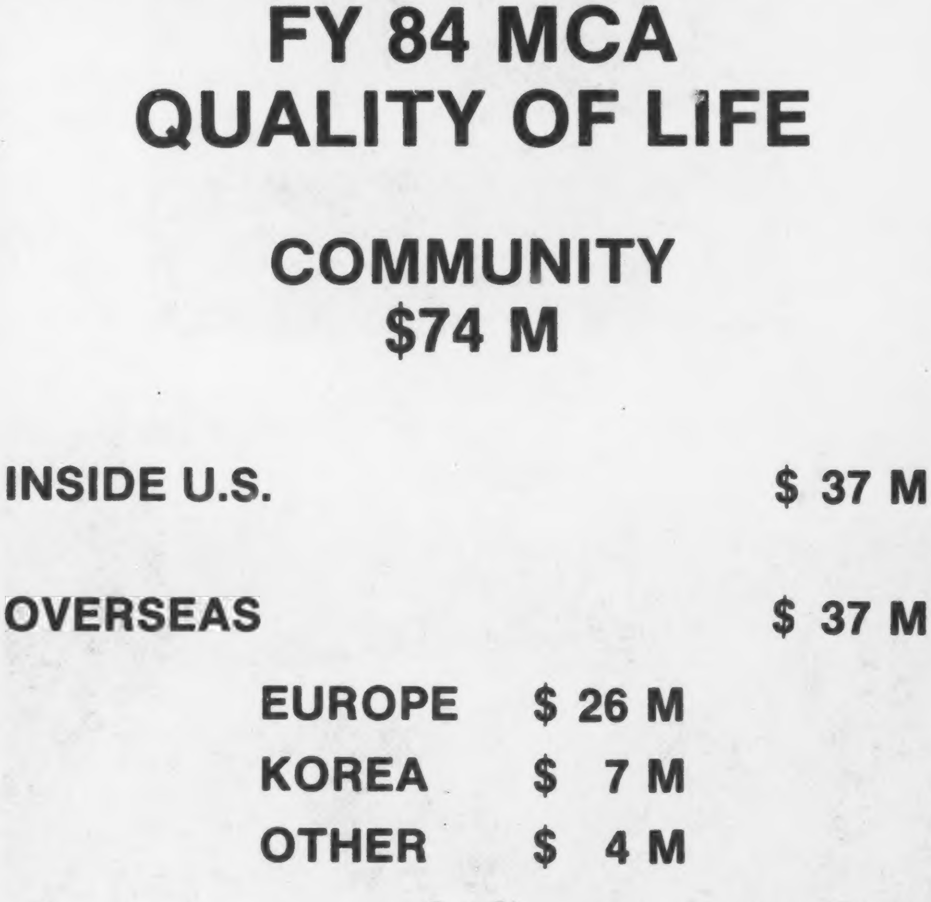
Slide 73

TEMPORARY BILLETS

This request is essential as long as we have over 110,000 substandard spaces such as this in our inventory, and over 80,000 troops housed in World War II temporary wooden facilities such as those in slide 72 or in Quonset huts such as those in slide 73.

As long as we have soldiers in Korea walking several hundred yards from miserable Quonset huts to an outdoor latrine in the dead of winter night; or soldiers in Germany living in the same barracks which housed the Hessian soldiers who fought George Washington, we simply need more and better barracks space.

These facilities will house approximately 8,000 soldiers this year and reduces our current backlog of 110,000 by 6 percent. The Army is dedicated to the goal of reducing its backlog of troop housing by 1992. I should add that this program includes $37 million for dining facilities and unit administration and supply. These round out the company area and contribute to unit cohesion and esprit.



FY 84 MCA
QUALITY OF LIFE

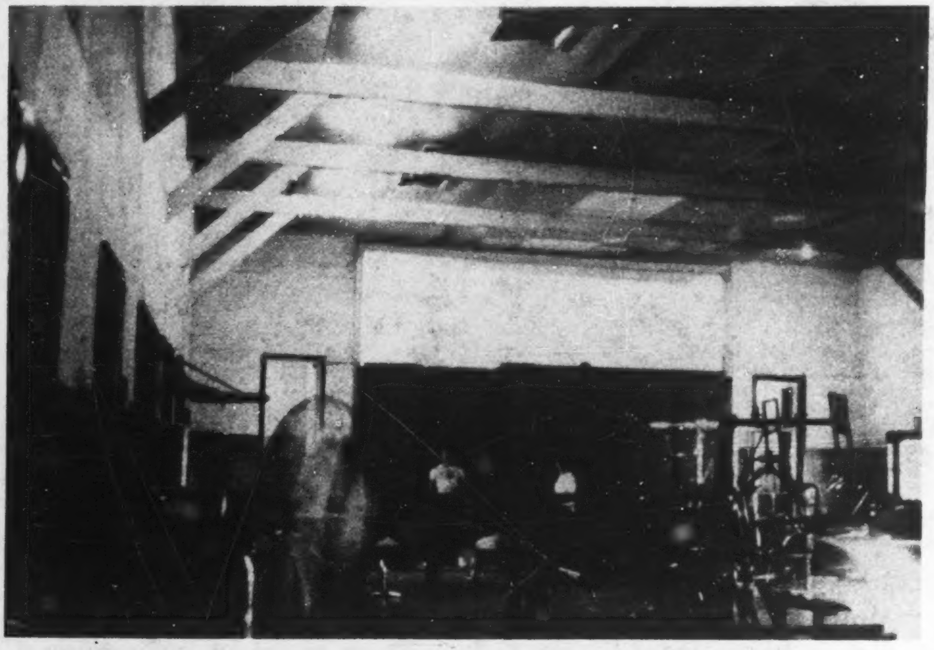
COMMUNITY
$74 M

INSIDE U.S.		$ 37 M
OVERSEAS		$ 37 M
	EUROPE	$ 26 M
	KOREA	$ 7 M
	OTHER	$ 4 M

Slide 74

BALANCED ENVIRONMENT FOR TROOPS

We need a balanced environment for our troops, thus we must consider their off duty, recreation, and family needs through community facilities.



SLIDE 75

PHYSICAL FITNESS TRAINING CENTERS

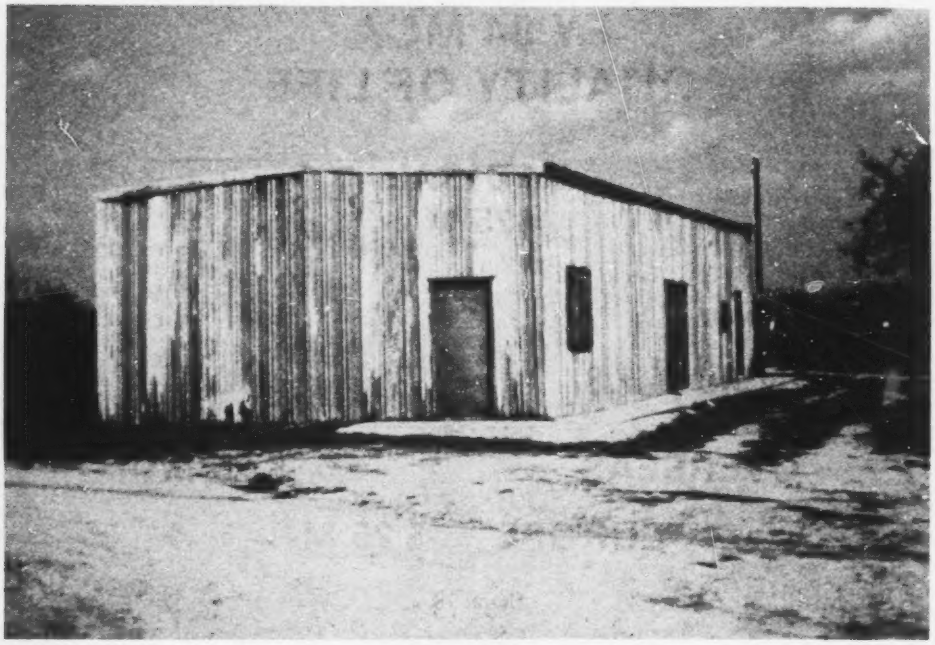
Physical fitness training centers are particularly critical toward accomplishment of the Army objective to enhance combat readiness. Every attribute of soldiering—fitness, esprit, competitive spirit, teamwork, morale—is embodied in these facilities. We need to replace poor facilities such as this one in slide 75 which serves several thousand soldiers. This year there are 20 physical fitness training centers at a cost of $42 million.

PINE PLAINS
RECREATION CENTER

SLIDE 76

MULTIPURPOSE RECREATIONAL FACILITIES

Multipurpose recreational facilities are needed to provide a well-rounded environment for our troops. There are seven projects totaling $8 million, including a facility at Fort Drum to replace the old and inadequate facility which is shown here in slide 76.



Slide 77

COMMUNITY FACILITIES

Of particular concern is the community facilities for our troops at remote sites such as this one in slide 77 which is in Corlu, Turkey, where the community facility shown here has poor lighting and no heat. Mission accomplishment is considerably dependent on good morale and needs a well-deserved emphasis in our program.

FY 84 MCA QUALITY OF LIFE

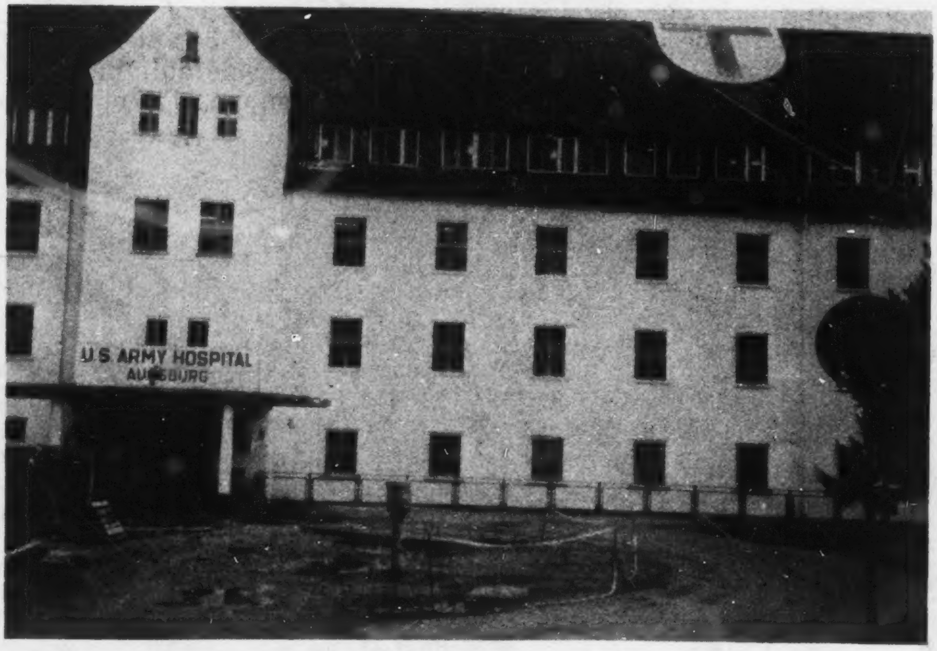
MEDICAL $25 M

INSIDE U.S.		0
OVERSEAS		$ 25 M
EUROPE	$ 25 M	

SLIDE 78

MEDICAL PROJECTS

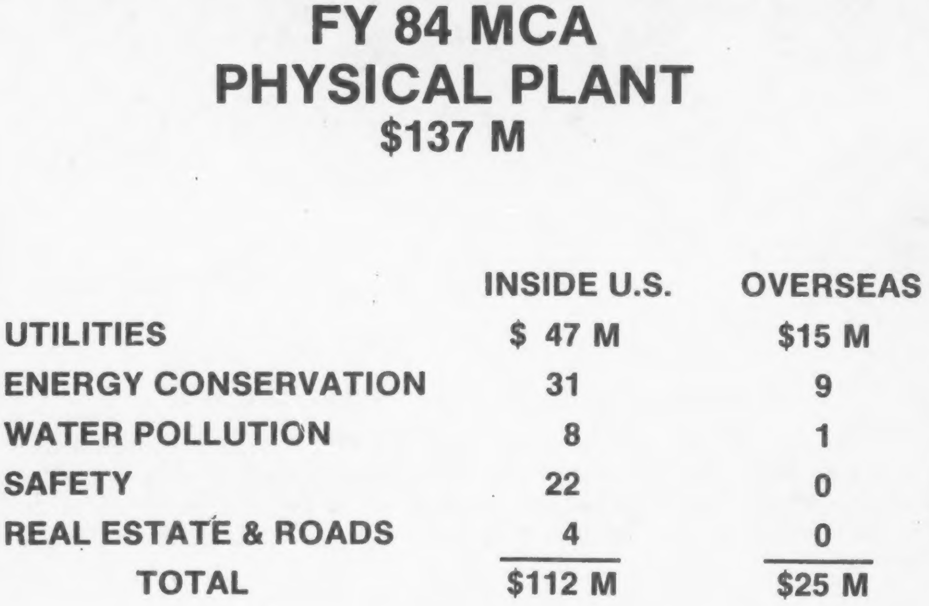
In the medical arena, all projects this year are overseas. Of the three projects, the Wuerzburg, Germany, Dental Clinic and the Chakmakli, Turkey, Health Clinic total $3 million.



SLIDE 79

AUGSBURG, WEST GERMANY, HOSPITAL RENOVATION

The major project is the renovation of the U.S. Army Hospital in Augsburg, West Germany, for $22 million. This is a multibuilding facility (slide 79) originally constructed in 1933 as a German troop barracks. Since its original conversion to a U.S. medical treatment facility in 1952, no signifcant upgrade or renovation has occurred. The Federal Republic of Germany financed and is scheduled to complete a multistory addition in September 1983. This request will provide a modern, safe medical facility which gives us the only U.S. hospitalization support for all of southern Bavaria.



FY 84 MCA
PHYSICAL PLANT
$137 M

	INSIDE U.S.	OVERSEAS
UTILITIES	$ 47 M	$15 M
ENERGY CONSERVATION	31	9
WATER POLLUTION	8	1
SAFETY	22	0
REAL ESTATE & ROADS	4	0
TOTAL	$112 M	$25 M

SLIDE 80

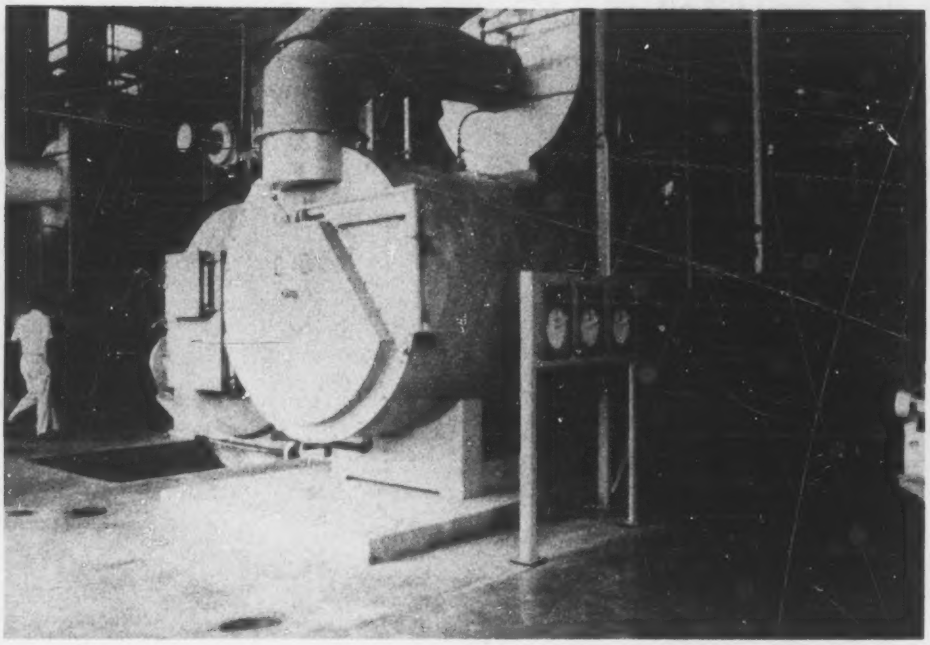
PHYSICAL PLANT UPGRADE AND IMPROVEMENTS

Our request contains $137 million for upgrade and improvements to the physical plant (slide 80). The $40 million for energy conservation will provide a first-year return of over $7 million.

SLIDE 81

SYSTEMS UPGRADES AT VARIOUS INSTALLATIONS

There are 20 utilities upgrade projects that include systems upgrades at Fort Jackson and Fort Benning, as well as steam distribution system upgrades for $12 million to correct this system (slide 81) at Walter Reed. The other systems are at Fort Myer and Fort Stewart.



SLIDE 82

SPLIT WASTE INCINERATOR

We have one solid waste incinerator for $5 million at Fort Campbell similar to this one at Fort Leonard Wood (slide 82), which was in the fiscal year 1980 program. It was completed in July 1982 and is producing $700,000 a year in annual savings that will amortize its cost in 4.7 years.

FY 84 MCA
PHYSICAL PLANT

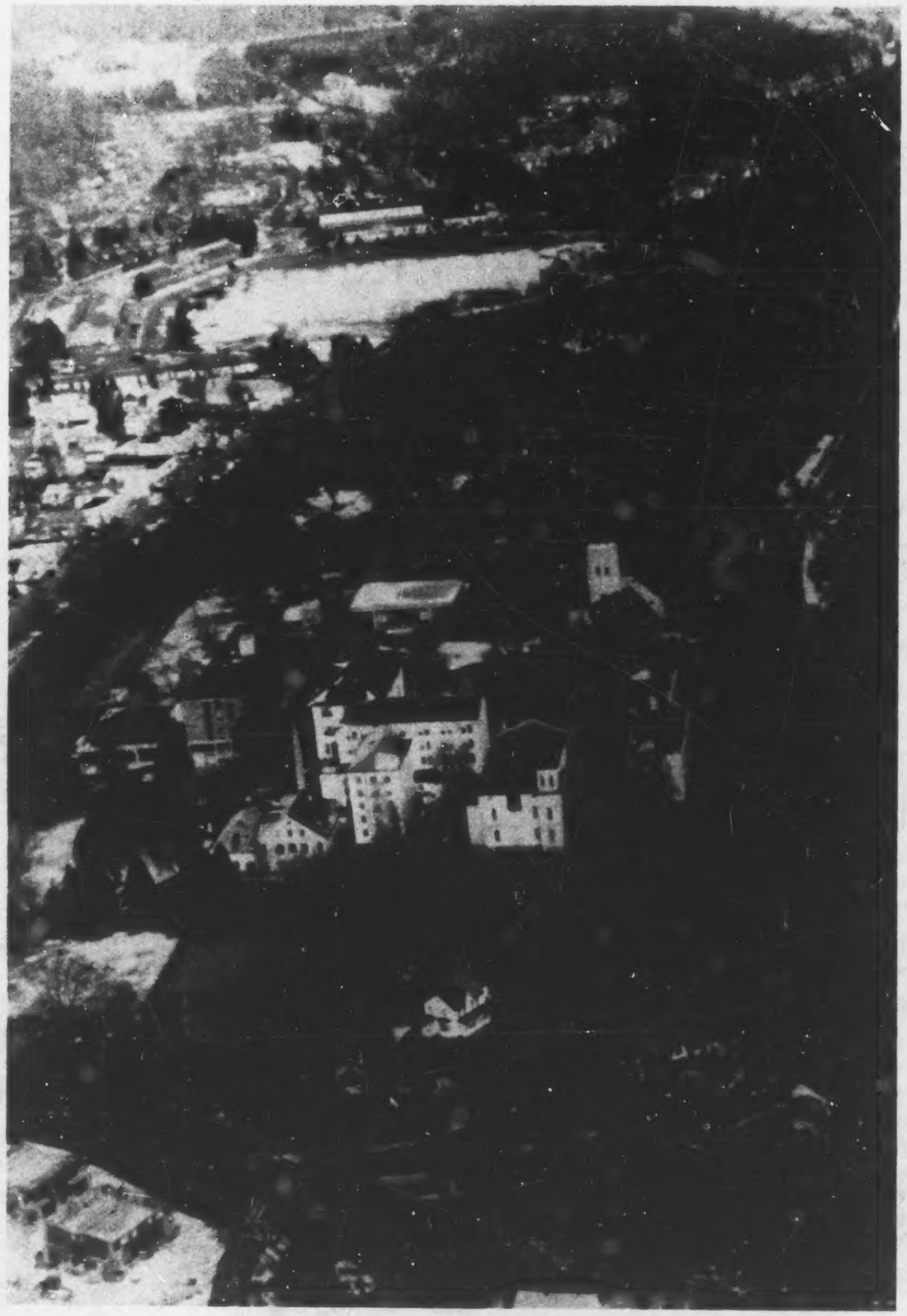
USMA FACILITIES
$3.5 M

ACQUISITION OF LEASED PROPERTY

SLIDE 83

USMA FACILITIES REQUIREMENTS

The U.S. Military Academy has a critical need for more modern laboratories, classrooms, and library space to meet the needs of an expanded curriculum.



SLIDE 84

LADYCLIFF COLLEGE CONSTRUCTION

The Academy was considering costly construction alternatives when Ladycliff College (slide 84) became available for purchase. Ladycliff is a former Catholic women's college abutting the southern boundary of the Military Academy. The acquisition of Ladycliff College offers an opportunity to save military construction funds. Given the need for additional facilities, Ladycliff does it most effectively.

AFH FUND APPLICATION FY 84 BUDGET REQUEST

APPLICATION	$ MILLION	%
COST OF OWNERSHIP	$1,044	82
PROGRAM INITIATIVES	$ 229	18
TOTAL	$1,273	100

SLIDE 85

FAMILY HOUSING PROGRAM HIGHLIGHTS

Now I would like to finish by showing you the Army family housing program highlights by fund application (slide 85). Given the large inventory of housing units, the Army must apply its resources to take care of what it has while also meeting other family housing requirements in support of its soldiers and their families. The Army has a program which attempts to balance two real and necessary resource competitors. This balance is met through a rational application of funds between the cost of ownership and program initiatives.

AFH — COST OF OWNERSHIP

THOSE COSTS NECESSARY TO OPERATE AND MAINTAIN ANNUALLY THE CURRENT FAMILY HOUSING INVENTORY

TAKE CARE OF THE INVENTORY

SLIDE 86

OWNERSHIP COSTS

The cost of ownership makes up 82 percent of our fiscal 1984 program, as defined here (slide 86). These resources provide for the stewardship of the existing inventory.

AFH-FY 84
PROGRAM INITIATIVES

- NEW CONSTRUCTION
- ADDITIONAL LEASES
- DEFERRED MAINTENANCE
- POST ACQUISITION CONSTRUCTION

SLIDE 87

PROGRAM INITIATIVES

After the cost of ownership has been funded, approximately 18 percent of our fiscal year 1984 budget request will be applied to program initiatives as shown here (slide 87).

AFH

NEW CONSTRUCTION FY 84 BUDGET REQUEST

LOCATION	NO. UNITS
BETHEL, AK	2
NOME, AK	2
KOTZEBUE, AK	2
FT GREELY, AK	38
FT STEWART, GA	244
FT. POLK, LA	200
BAYREUTH, GERMANY	13
KITZINGEN, GERMANY	103
WILDFLECKEN, GERMANY	153
VICENZA, ITALY	2
TOTAL	759

SECOND PHASE ALIAMANU, HI CONSOLIDATED COMMUNITY CENTER

Slide 88

NEW CONSTRUCTION

First new construction. Our Army policy requires that the first source of family housing is the civilian community. The variable housing allowance certainly supports this policy. There are cases, however, where civilian communities cannot support soldier requirements or where installations are so remote as to preclude such support.

New construction is undertaken when these conditions exist. The fiscal year 1984 program will provide for the 759 units shown here (slide 88) as well as the second phase of the consolidated community center at Alimanu, Hawaii, which will support 2,600 Army and Navy families. The first phase of this project was funded last year.

AFH LEASING PROGRAM

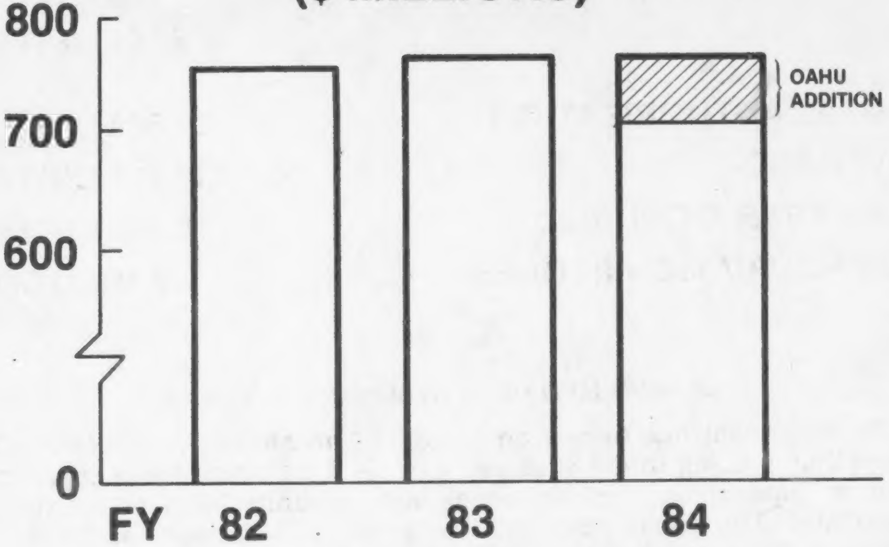
INCREASES REQUIRED	
EUROPE	2,008
OTHER	159
	2,167 UNITS
TOTAL AUTHORIZATION	20,608 UNITS
AVERAGE	13,178 UNITS
END YEAR OCCUPIED	15,256 UNITS
APPROPRIATION REQUEST	$87 MILLION

SLIDE 89

LEASING METHOD IN OVERSEAS HOUSING

We must continue to rely on leasing as an alternative method of providing housing in overseas areas (slide 89). Europe has a current known requirement for additional housing units to meet existing shortfalls. The fiscal year 1984 program will support additional leases for Europe and Korea. By the end of fiscal year 1984 this program will house over 15,000 soldiers and their families in adequate housing overseas.

AFH
DEFERRED MAINTENANCE AND REPAIR BACKLOG (END YEAR)
($ MILLIONS)



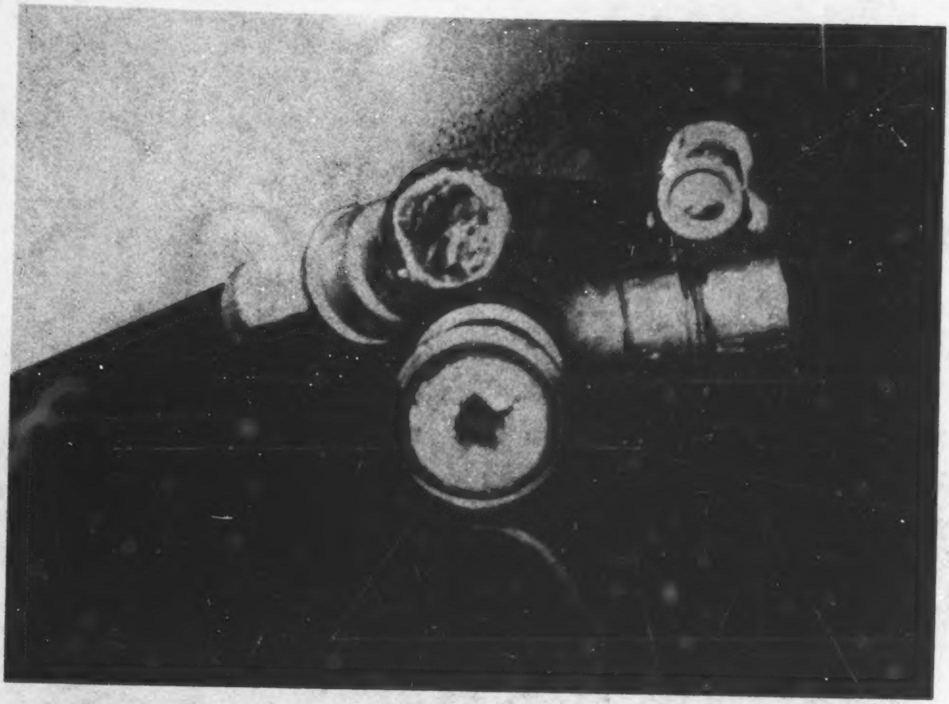
Slide 90

DEFERRED MAINTENANCE PROBLEMS

Deferred maintenance continues to be a major problem. Our deferred maintenance backlog remains too large, particularly in Europe, whose $392 million account for over half of our estimated end of 1983 backlog of $763 million. The 1984 budget request contains sufficient maintenance funds to reduce our previous level of deferred maintenance and repair backlog by approximately $57 million. However, due to the Oahu consolidation, the Army will assume approximately an equal amount from the other services on those 12,000 units, as shown here (slide 90).

UTILITY LINE REPAIR

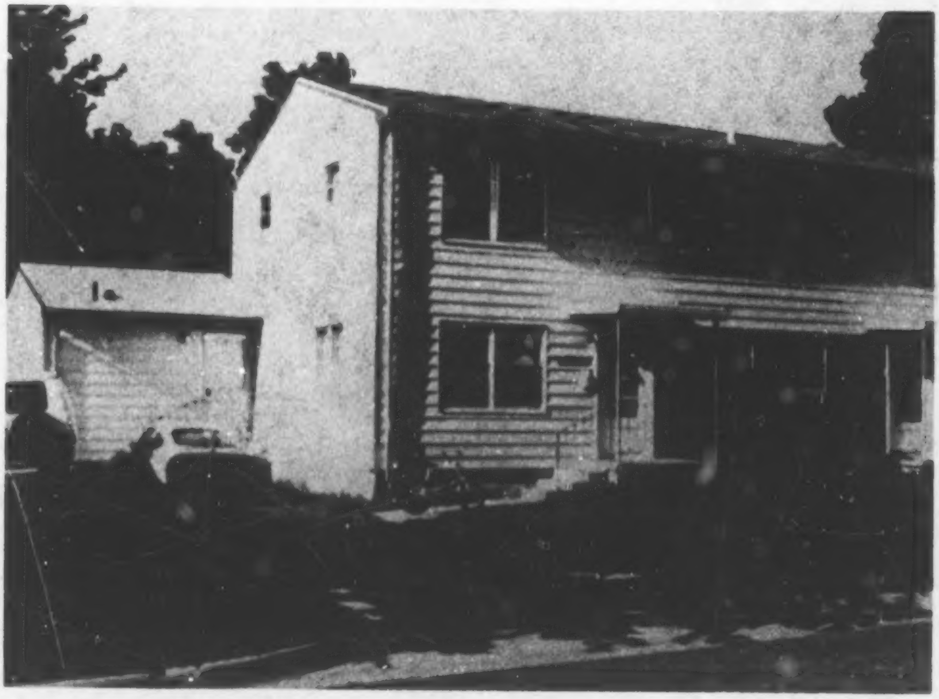
These are examples of utility lines that have been replaced (slide 91). The slides show pipes with calcium built up over many years, eventually causing the failure of the system (slide 92). Mr. Carton will give you an example that was sent to us, that we picked up from Europe. Repair of systems such as these will be accomplished with the maintenance funding requested in fiscal year 1984.



SLIDE 91

SLIDE 92

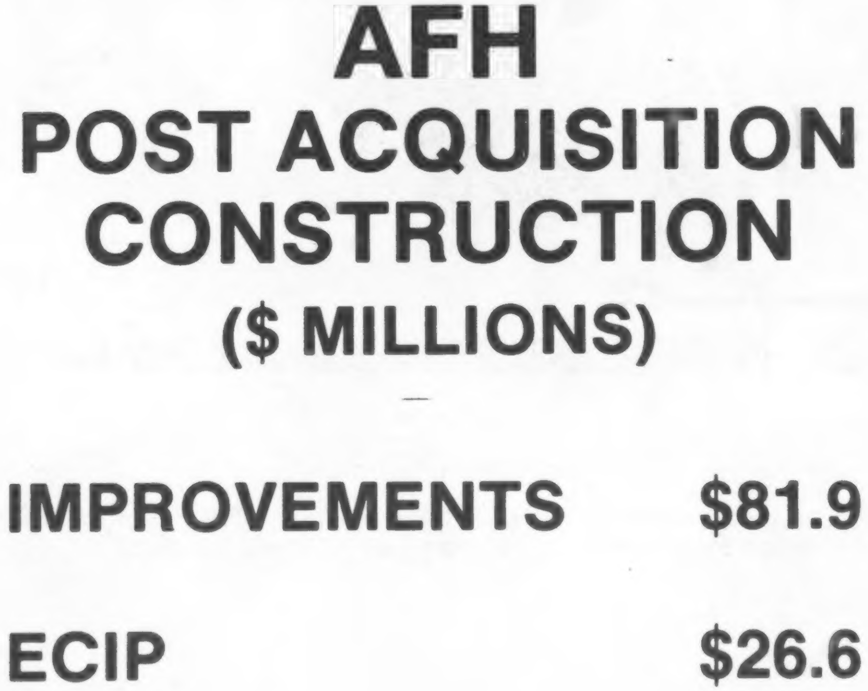
SLIDE 93



SLIDE 94

NEW SIDING INSTALLATION

The installation of new siding (slide 94) not only solves the current painting and siding requirements, thus reducing operating costs, (slide 93) but it also adds insulation which will result in energy savings in future years. All of our inventory will receive some maintenance and repair work during the year, while almost 700 units will recieve major repair work.



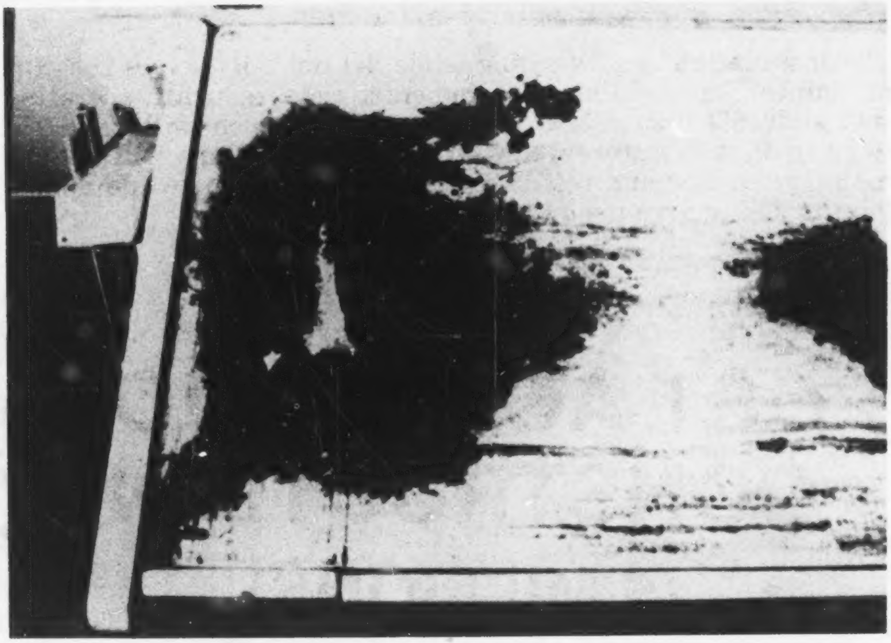
AFH
POST ACQUISITION CONSTRUCTION
($ MILLIONS)

IMPROVEMENTS	$81.9
ECIP	$26.6

SLIDE 95

POST ACQUISITION CONSTRUCTION

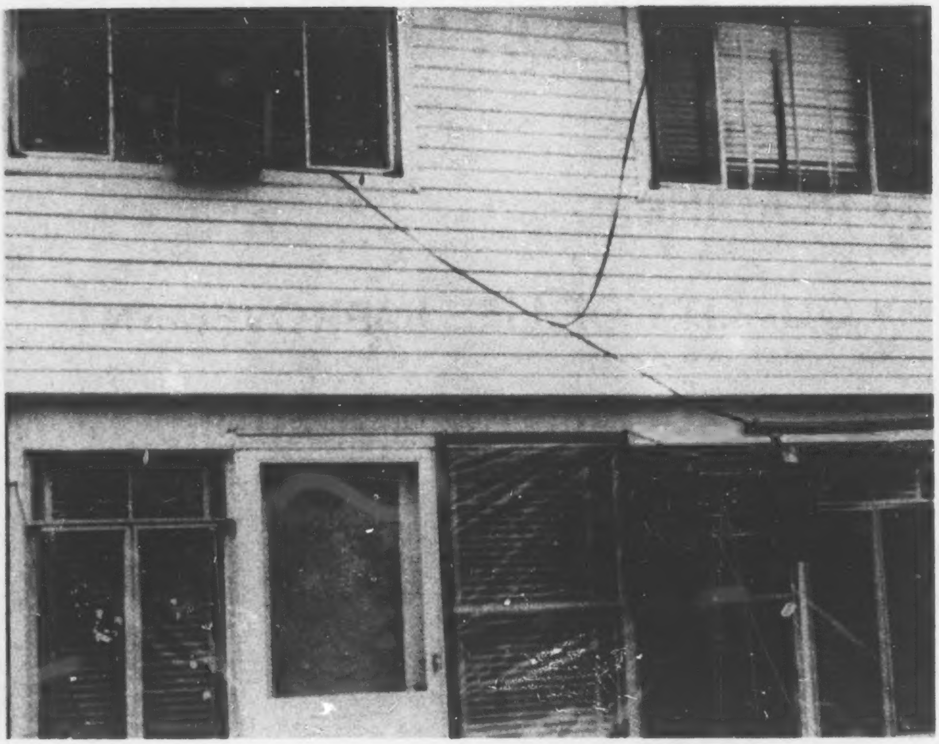
Finally, post acquisition construction (slide 95) consists of improvements to the current inventory to bring them to more contemporary standards and energy conservation investment projects to improve the energy efficiency of our current inventory. Both of these areas suffer from significant backlogs. Improvements are needed to make the units consistent with contemporary standards of livability. The fiscal 1984 program will provide some improvements to almost 12,000 units and energy work to 40,000 units with an estimated annual savings of $5.6 million.



Slide 96

KITCHEN CABINETS

Kitchen cabinets such as these depicted (slide 96) will be replaced at Aberdeen Proving Grounds as well as at other locations.



SLIDE 97

CENTRAL AIR-CONDITIONING PROJECTS

Also included in the improvement program are central air-conditioning projects. A central system will not only relieve the unsafe conditions as shown here (slide 97) but should also reduce the utility usage by utilizing more efficient central systems.

FY 84 MCA

EMPHASIZES:

- READINESS
- QUALITY OF LIFE IMPROVEMENT
- REPLACEMENT & MODERNIZATION

FY 84 AFH

EMPHASIZES:

- COST OF OWNERSHIP
- PROGRAM INITIATIVES
  - FIX THE INVENTORY
  - IMPROVE THE INVENTORY
  - IMPROVE ENERGY EFFICIENCY
  - HOUSE MORE FAMILIES

SLIDE 98

SUMMARY

Mr. Chairman, in summary I would like to emphasize that the Army's fiscal year 1984 MCA and family housing requests reflect the needs and support the programs presented by the Secretary of the Army and the Chief of Staff (slide 98).

The request emphasizes readiness; the Army's efforts to improve the soldiers' living and working conditions; replace deteriorated facilities; and provide for the cost of ownership of our family housing.

It includes those projects of highest priority while being consistent with fiscal realities. Approval of the request will enhance the

Army's ability to acquire and retain the quality soldier and supports improvement to the Army's operational readiness and war fighting capability.

Mr. Chairman, this concludes my statement. I will be pleased to answer any questions which you may have.

[The prepared statement of Gen. Norman Delbridge follows:]

PREPARED STATEMENT OF MAJ. GEN. NORMAN G. DELBRIDGE, JR.

ASSISTANT CHIEF OF ENGINEERS

OFFICE OF THE CHIEF OF ENGINEERS

DEPARTMENT OF THE ARMY

SAC OPENING STATEMENT

Mr. Chairman and Members of the Subcommittee. I am Major General Norman G. Delbridge, Jr., Assistant Chief of Engineers, Office of the Chief of Engineers, Department of the Army.

Once again, I am pleased to appear before the subcommittee to present the Army's portion of the annual Military Construction Appropriation request. The fiscal year 1984 request sustains efforts started in prior years to improve the operational readiness of the Army while, at the same time, providing those quality of life improvements so necessary to attract and retain dedicated individuals to service in the Army.

MILITARY CONSTRUCTION, ARMY

The fiscal year 1984 MCA budget request includes a request for total obligational authority of $1,375,000,000 and a companion request for authorization of $1,343,240,000 (CHART 1). The fiscal year 1984 Army Family Housing (AFH) budget includes a request for total obligation authority of $1,273,000,000. The appropriation request does not include $10,130,000 for construction at Army ammunition plants that is part of the authorization request but is appropriated in the Defense Appropriation Act. The appropriation request does include $41,000,000 for the Rapid Deployment Force and $890,000 for Fort Carson fencing which were authorized last year. The fiscal year 1984 MCA request supports the seven Army goals identified by the Secretary of the Army and the Chief of Staff in their joint fiscal year 1984 Army Posture Statement.

TABLE I shows the facility categories in which the funds are requested and the percentage of the construction dollars by category.

TABLE II shows the distribution of the appropriations request among major commands in the United States and overseas. Construction projects in the United States account for $687 million, (50%) of the budget request. Construction projects outside the United States total $468 million (34%). This year's request for planning and design and unspecified minor construction totals $220 million (16%).

Seen another way, sixty-two percent of this year's request is for support of new missions and current mission shortfalls not fully satisfied in prior years (CHART 2). The funding in support of new weapons systems, which I will discuss in more detail in a moment, highlights this segment. In addition, twenty-four percent of our request is for replacement and modernization of the Army's worldwide inventory of aging facilities. Even though MCA funding has increased over the past few years, the rate of increase has not been sufficient to overcome the impact of inflation and the additional costs to support the new systems, thus we have been unable to reduce the Army's backlog of construction. Our current backlog amounts to $24.3 billion -- a $2.7 billion increase over what I reported last year. In an attempt to significantly reduce this backlog, current planning calls for military construction funding at greater levels over the next 5 years. The rest of the program (14%) is for planning and design.

PROGRAM HIGHLIGHTS

With the Committee's permission, I would like to discuss briefly a few of our construction program highlights.

TABLE I - PROPOSED FISCAL YEAR 1984 MILITARY CONSTRUCTION, ARMY, PROGRAM

FACILITY CATEGORY SUMMARY

FACILITY CATEGORY	COST ($000)	PERCENTAGE OF TOTAL
Operations and Training	270,040	19.6
Maintenance and Production	330,870	24.1
Research, Development, Test and Evaluation	35,050	2.5
Supply	57,730	4.2
Medical	25,300	1.8
Administrative	9,660	0.7
Unaccompanied Housing	215,120	15.6
Community	73,890	5.4
Utilities	62,040	4.5
Energy Conservation	40,660	3.0
Occupational Safety and Health	21,720	1.6
Water Pollution Abatement	8,970	0.7
Real Estate and Access Roads	3,950	0.3
Unspecified Minor	32,000	2.3
Planning And Design	188,000	13.7
Total obligational authority requested:	1,375,000	100.0

TABLE II - PROPOSED FISCAL YEAR 1984 MILITARY CONSTRUCTION, ARMY, PROGRAM COMMAND SUMMARY

COMMAND	COST ($000)	PERCENTAGE OF TOTAL
INSIDE THE UNITED STATES		
Forces Command	365,590	26.6
Training and Doctrine Command	139,670	10.2
Materiel Development and Readiness Command	123,440	9.0
Western Command	33,700	2.5
Health Services Command	5,850	0.4
Communications Command	1,250	0.1
Military District of Washington	2,750	0.2
US Military Academy	12,840	0.9
Other	1,800	0.1
TOTAL	686,890	50.0
OUTSIDE THE UNITED STATES		
US Army, Europe	357,090	26.0
Eighth US Army, Korea	59,730	4.3
Rapid Deployment Force, Egypt	41,000	3.0
Ballistic Missile Defense, Kwajalein	5,620	0.4
Forces Command	3,010	0.2
Intelligence and Security Command	260	-
US Army, Japan	1,400	0.1
TOTAL	468,110	34.0
OTHER		
Planning and Design	188,000	13.7
Unspecified Minor Construction	32,000	2.3
TOTAL	220,000	16.0
Total obligational authority requested:	1,375,000	100.0

READINESS

The fiscal year 1984 MCA Program emphasizes readiness in terms of operations and training, maintenance and production, supply and administration, and RDT&E facilities. This year's request is for $703,350,000 or 51 percent of the Army's program. Included are five projects to support deployment of an additional Patriot Air Defense battalion in Germany. The NATO Alliance will provide the operational facilities for this unit The $15.8 million request is for the facilities which are the responsibility of the US to fund under NATO Infrastructure Agreements.

Twelve military construction projects totaling $102,630,000, provide for the upgrade of existing ranges or construction of new multi-purpose training range complexes. These range complexes provide the required facilities to accommodate the increased firepower of the new weapons systems now being delivered and to enable adequate training of personnel in the most efficient use of these vastly more effective weapons. An additional $167,410,000 is programmed to provide other operations and training facilities such as operations buildings, a satellite terminal building, communications facilities, aircraft shelters/revetments, flight simulators and weapons maintenance training facilities. There are 32 tactical equipment shop projects totalling $153,210,000 intended to continue our efforts to reduce both mission shortfalls and substandard conditions in facilities for equipment maintenance. An additional $155,660,000 is programmed to provide other maintenance facilities for ammunition, aircraft and communication equipment.

The fiscal year 1984 budget also includes $22,000,000 in facilities to begin the modernization of the Rock Island Arsenal, Illinois, which are utilized to produce many specialized components of artillery weapons. This REARM project is the continuation of a phased modernization program which includes the previously approved major improvement of the gun tube manufacturing facilities at Waterviet Arsenal.

QUALITY OF LIFE (LIVING CONDITIONS)

The Army's Quality of Life Program, intended to foster improved morale and individual readiness, continues to receive widespread support in this year's request with 23 percent of the total construction request allocated to troop housing, medical, and community facilities. A total of 2,961 unaccompanied enlisted and 716 unaccompanied officers quarters are to be provided in the U.S. and 4,285 unaccompanied enlisted and 10 unaccompanied officer quarters overseas.

OTHER

National programs such as Pollution Abatement, Energy Conservation Investment Program, Occupational Safety and Health Act (OSHA), planning and design, access roads, unspecified minor construction, and other utilities projects make up the remaining 26 percent.

GEOGRAPHICAL DISTRIBUTION HIGHLIGHTS

UNITED STATES

Our budget request inside the United States this year provides $687 million in construction projects. The projects are located at installations in 29 states and the District of Columbia. Projects totaling more than $30 million in construction are located in Kansas, Texas, California, Georgia, Maryland, Washington, and North Carolina. Fort Riley, Kansas and Fort Hood, Texas are scheduled for the largest installation level investment with $96 million and $69 million respectively. The First Infantry Division at Fort Riley is one of the Reforger units which would deploy early in any European crisis. Facilities are being provided to allow restructuring this unit to permit the most efficient use of new weapons. The 11 projects at Fort Hood include three multi-purpose training ranges, $18 million; two aircraft maintenance facilities, $25 million; two tactical equipment shops, $17 million; and $4 million for weatherstripping, field lighting, and a brigade headquarters.

The largest single project in the United States is a multi-purpose training range at Fort Riley, Kansas. This project will provide for a permanent multi-purpose training range complex to include the relocation of multipurpose buildings and the construction of equipment maintenance shop, target maintenance building, control tower, classroom/administrative buildings, latrines, and storage buildings. The existing facility is not capable of supporting the training requirements of the new fighting vehicles being fielded this year. Additionally, the existing targetry is antiquated and difficult to maintain. The remaining 19 projects at Ft Riley provide ammunition and fuel storage, tactical equipment shops, dining facilities, unaccompanied personnel housing and administrative/classroom buildings.

US ARMY EUROPE (USAREUR)

As you are aware, modernization and replacement, as well as much of the maintenance and repair of US facilities in Europe, were postponed until recently. In the 13 years from fiscal year 1965 through fiscal year 1977, the European MCA Program averaged about $30 million per year. Beginning in fiscal year 1978, it began to be funded more realistically and the quality of our facilities began to improve. Continued funding at these levels is essential to permit the modernization or replacement of the many of the remaining unsatisfactory living and working facilities.

Our fiscal year 1984 program for USAREUR totals $357,090,000. Once again, it is one of the largest major Army command programs, but in relation to actual requirements, it is an extremely austere program particularly when we consider the deplorable conditions in which our soldiers live and work. Nevertheless, the program will provide a substantial improvement and represents a careful balancing of requirements within fiscal constraints.

In fiscal year 1984, the USAREUR program emphasizes improving the soldiers' living conditions with 33% of the request allocated to construction of barracks, dining, medical, and community facilities. The new barracks will accommodate 2,666 enlisted personnel in Germany and 7 officers and 15 enlisted personnel in Greece and 137 enlisted personnel in Turkey.

At the same time we are not neglecting our commitment to improve the readiness of our forces in Europe. We are allocating over 60% of the USAREUR request to improve facilities associated with operations and training, maintenance, utilities, supply, administration and the purchase of existing leased facilities in Rheinberg, Germany. These new facilities will not only permit the deployment of new weapons, they will also substantially improve the conditions of the areas where the soldiers spend much of their working day.

EIGHTH US ARMY (KOREA)

The Army continues to support its commitment in the Western Pacific with a $59,730,000 fiscal year 1984 MCA request in support of the Eighth US Army in Korea. Seventy-seven percent of the request is allocated to replacing the deplorable facilities used by the 2d Infantry Division, which is deployed near the Demilitarized Zone (DMZ). Let me emphasize, that while our construction standards at these locations are austere, they are consistent with enhancing individual, unit, and equipment readiness within the realities of an unaccompanied overseas environment. The fiscal year 1984 request provides housing for 1467 enlisted personnel and 3 officers.

KWAJALEIN MISSILE RANGE

In the fiscal year 1984 MCA budget request, we have included $5.62 million for construction to support the Kwajalein Missile Range. The four projects are a multi-purpose recreation building, $3.55 million; a missile assembly facility, $830 thousand; an explosive storage facility for $710 thousand and a wastewater treatment facility project for $530 thousand; all are located on islands in the Kwajalein chain.

SPECIAL PROGRAM HIGHLIGHTS

ARMY ENVIRONMENTAL PROGRAM

The small fiscal year 1984 budget request for pollution abatement projects is testimony to the success we have had in bringing our CONUS installations in to compliance with the Clean Water and Air Acts. In this year's program, there are three water pollution abatement projects in the U.S.

totaling $7.4 million; one at Kansas Army Ammunition Plant, Kansas; one at Louisiana Army Ammunition Plant, Louisiana; and one at Schofield Barracks, Hawaii. The Schofield Barracks project for the upgrade of petroleum storage includes upgrading grease racks and POL storage areas to prevent contamination of groundwater run-off by spillage and seepage. The other two projects are for an industrial wastewater treatment system at Kansas Army Ammunition Plant, and a pink water filtration system at Louisiana Army Ammunition Plant. While this small program indicates our success, we recognize that there will be future requirements and we continue our efforts to eliminate potential environmental hazards.

ARMY ENERGY PROGRAM

The Army continues to place emphasis on conserving critical energy resources. The fiscal year 1984 Energy Conservation Investment Program includes 30 projects at a cost of $40,660,000. Our calculations indicate that their completion will produce first year savings of $7,300,000 and when completed the projects will provide savings of 1 trillion BTU's annually. The projects in the program include installation of weatherstripping and attic insulation, automatic heating controls, energy control systems, and heat recovery systems.

MEDICAL FACILITIES

The Army is continuing its program to upgrade medical facilities with a $25.3 million fiscal year 1984 MCA budget request for three projects. In Germany, we have programmed $22 million to add to, renovate, and alter the existing Augsburg Hospital; and $2 million for the construction of a 14-chair dental clinic at Wuerzburg, Germany. We are also requesting $1.3 million for a health clinic at Cakmakli, Turkey. The clinic in Turkey will serve the soldiers located at Cakmakli and other remote sites such as Corlu, Erzurum, Ortakoy and Izmit.

DIVISION 86

Division 86 is an organization which will facilitate the integration of new and advanced materiel systems, doctrinal concepts, and human resources. The new division structure provides organizational advantages over today's force designs.

To the greatest extent possible, Division 86 will be phased in with current equipment. This will enable both the active and reserve component units to make the changeover at about the same time. This promotes the total Army and total force modernization concepts. Sound modernization principles and doctrine as well as new weapons and new organizations are key ingredients in this program. The principles used for Division 86 take into account the facts that commanders will be fighting with complex systems, fewer personnel, over greater distances. The accomplishment of these improvements requires revisions to our Facilities Master Plan.

The fiscal year 1984 request includes $51,550,000, $33,700,000 at Fort Riley and $19,850,000 at Fort Hood. The divisions at Fort Riley and Fort Hood are the first CONUS divisions to receive the Abrams Tank and the Bradley Fighting Vehicle. Because of their priorities in Army plans, these divisions are the first to convert to the new organizational structure and require facilities in support of their new structure.

CONGRESSIONAL CONCERNS

During hearings on the fiscal year 1983 MCA request, the Congress expressed concerns on which I would now like to report.

The committee deferred the Army's request for facilities in Ras Banas, Egypt and requested that the Department of Defense take certain actions. The Office of the Secretary of Defense reported to the committee the status of these actions on 23 December 1982. The specific details will be discussed by Defense representatives at a special hearing scheduled by the committee. As a part of the DOD plan, the Army is requesting $41 million to construct port and land facilities.

Port facilities include dredging and navigation aids necessary to provide deep draft ship access, a pier with fuel offload capability and upgrade of an existing pier to permit ammunition offload operations.

Land operation facilities include power and desalinated water production, distribution and storage; helicopter maintenance/airdrop rigging facility; fuel storage and distribution, rehabilitation of an existing command and control facility; utilities, multi-purpose warehouse type buildings and latrine/shower buildings in the cantonment area for troop beddown, internal base communications cable runs, roads and sewage disposal areas.

It is essential that our fiscal year 1984 request of $41 million be approved in order to permit implementation of the concept at the earliest possible time, and to complement the approved Air Force program at this location.

The committee also expressed its concern about fiscal support by the German government for the plan to relocate Army units to better tactical locations in improved facilities. The U. S. and German governments have appointed representatives to participate in discussions on the Master Restationing Plan. Meetings were held in 1982 and early 1983, including a high level meeting on 23 and 24 February 1983. No projects have been included in this request to implement the Master Restationing Plan. Discussions with the German government continue.

ARMY FAMILY HOUSING (AFH)

Now I will address the Army's Family Housing Program; a program that is of significant importance to all our married soldiers and their families. Full management of the family housing program was returned to the seperate services and defense agencies in fiscal year 1983. For the Army, the provision of suitable living conditions is an imperative and thus one of our highest peacetime priorities. The fiscal year 1984 budget request reflects the Army's commitment to provide adequate housing for our service members and to maintain the quality of the facilities entrusted to our stewardship.

Army Family Housing (AFH) is big business, supporting military families living in 171,800 housing units. We lease 15,200 units and have 156,600 units that we own or control.

These US controlled units are valued at over $11 billion and are, on the average 25 years old. The size of our aging inventory and lack of new construction have created facility shortages and large backlogs, particularly with regard to the maintenance and repair program. We also have backlogs in our improvements and Energy Conservation Investment Programs.

BUDGET REQUEST

The fiscal year 1984 budget request is for $1,272,639,000 in both authorization and appropriation (TABLE III).

Our request this year is $268,000,000 larger than the fiscal year 1983 appropriation. The causes for the growth are shown in TABLE III. I would like to discuss them briefly. Pursuant to last year's appropriation law, $2,000,000 was transferred to the Army Family Housing Program during fiscal year 1983. Inflation of approximately 5% accounts for almost 19% of the increase. We are also requesting more new construction than was approved last year.

TABLE III - ARMY FAMILY HOUSING ($ MILLIONS)

Fiscal Year 1983 Appropriation	$1,005
Unexpended Balances (Transferred to Army)	2*
Inflation	50
Operations/Maintenance Program Increases	84
Construction Program Increases	46
Oahu Consolidation	86**
Fiscal Year 1984 Budget Request	$1,273

* Transferred to Army Family Housing pursuant to Section 118 P.L. 97-323.

** The $86,000,000 increase identified here is offset by decreases in the other Services housing programs.

This request includes new construction for Europe which was deferred without prejudice in the fiscal year 1983 budget. The additional $84,000,000 in operation and maintenance will permit us to execute additional leases approved in prior years for build-to-lease contracts and to apply funds to the deferred maintenance backlog thus fixing our current inventory. The most noteworthy cause for the increase is the consolidation of all military housing on the island of Oahu in Hawaii. The consolidation adds all Air Force, Navy and Marine housing on the island, 11,828 units, to the Army's inventory. Total savings are estimated to be $800,000 per year, but we expect the largest benefit to be more effective and efficient use of the housing units.

CHART 3 shows how the $1,272,639,000 request is spread among the major family housing subaccounts.

Seventy-one million dollars in new construction will build 759 new housing units and provide the second phase of a consolidated community center. Eighty-two million dollars will fund improvements to our aging inventory; twenty-seven million dollars is for energy conservation investment program projects; and seven million dollars will provide resources for planning and design for future construction. (CHART 4)

The Operations and Maintenance (O&M) portion will cover the costs of operating ($469,265,000) and maintaining ($495,365,000) our current inventory, to include tackling a small piece of our backlog of deferred maintenance as well as the cost of our 15,256 leased units ($86,858,000).

Funds for debt payment are necessary to provide $2,776,000 for interest and other expenses on remaining indebtedness for Capehart and Wherry housing. Also, $362,000 will be used to pay servicemen's mortgage insurance premiums to the Federal Housing Administration (FHA) on mortgages assumed by active military personnel for housing purchased by them, where the service member had a valid certificate of eligibility dated prior to 31 March 1980. There are no new loans in this program.

The funds in the fiscal year 1984 budget request will be distributed geographically as shown in CHART 5.

Given the large inventory of housing units, (CHART 6) the Army must apply its resources to take care of what it has. The Army must also meet family housing requirements in support of our soldiers and their families. As mentioned last year, we have developed a program which balances these two resource competitors. This balance is struck through a logical application of funds to both the cost of ownership and new program initiatives.

COST OF OWNERSHIP

The cost of ownership is defined as those annual expenditures necessary to operate and maintain the current family housing inventory, and thus provide for the careful stewardship of existing inventory.

PROGRAM INITIATIVES

After the cost of ownership has been funded, the remaining 18% of our fiscal year 1984 budget request will be applied to the program initiatives of new construction, additional leases, deferred maintenance, post acquisition construction and housing occupancy guarantees.

NEW CONSTRUCTION

It is Army policy that the first source of family housing is the civilian community. The Variable Housing Allowance (VHA) certainly supports this policy. There are cases, however, where civilian communities cannot support soldier requirements or where installations are so remote as to preclude such support. New construction is programmed when these conditions exist or when it is a more economical alternative.

Table IV shows the fiscal year 1984 projects for family housing units and for the completion of the consolidated community center at Aliamanu, Hawaii which will support 2,600 Army, Navy, and Marine Corps families. The first phase of this project was funded last year.

TABLE IV ARMY FAMILY HOUSING NEW CONSTRUCTION

FISCAL YEAR 1984 BUDGET REQUEST

LOCATION	NO. UNITS
Bethel, Alaska	2
Nome, Alaska	2
Kotzebue, Alaska	2
Ft Greely, Alaska	38
Ft Stewart, Georgia	244
Ft Polk, Louisiana	200
Bayreuth, Germany	13
Kitzingen, Germany	103
Wildfleclken, Germany	153
Vicenza, Italy	2
TOTAL	759

Plus Phase II Aliamanu, Hawaii Consolidated Community Center.

The fiscal year 1984 budget request contains construction of 271 family housing units in Europe. Of these 269 are in Germany and 2 provide secure housing for high-ranking U.S. officials in Vicenza, Italy. The proposed construction in Germany is for USAREUR's highest priority communities. The remaining projects are at Forts Greely, Stewart, and Polk, and 6 units for National Guard advisors at 3 extremely remote locations in Alaska.

The fiscal year 1984 family housing new construction request is oriented toward reducing the most critical housing deficits in USAREUR and state-side locations. Although we are proposing some overseas construction in fiscal year 1984, construction is not the most beneficial in all cases.

LEASES

Our overall performance in executing leases in the late 1970's was not as good as we desired. Factors such as unwillingness on the part of local citizens to approve leases in their communities, and uncertainty as to force structure composition and stationing contributed to delays in executing the program. We have improved our record as a result of focused management, improved definition of requirements and better coordination with the German Government and its citizens.

Most of our leases are negotiated under build-to-lease contracts. It must be noted that there is about a 2 to 2 1/2-year lag between authorization and occupancy under such contracts. Leases authorized in fiscal year 1984 will be ready for occupancy in late fiscal year 1985 or early fiscal year 1986. Hence, we budget against expected fiscal year 1984 occupancy and will not request funds for additional leases authorized in fiscal year 1984 until fiscal year 1985 or 1986. Thus, the actual appropriation required is less than the requested authorization.

DEFERRED MAINTENANCE

Deferred maintenance is that maintenance and repair work scheduled for completion in an annual work plan but not accomplished due to insufficient funding. It continues to be a major problem. Our deferred maintenance backlog remains too large, particularly in Europe, which accounts for over half of our estimated end of fiscal year 1983 total backlog of $763,000,000.

The fiscal year 1984 budget request contains sufficient maintenance funds to reduce our previous level of deferred maintenance and repair backlog by approximately $57,000,000. However, the units transferred under the Oahu consolidation, have backlog requirements which will cause the Army's backlog to increase by an equal amount.

POST ACQUISITION CONSTRUCTION

Post acquisition construction consists of improvements to the current inventory to bring them to current standards and energy conservation investment projects to improve the energy efficiency of our current inventory. Both of these areas have significant backlogs.

The backlog of improvements exists throughout the world with Europe accounting for about 1/3 of the $1,097,000,000 total. Improvements valued at $40,000,000 are requested for Europe.

The Energy Conservation Investment Program (ECIP) continues to receive emphasis. The fiscal year 1984 budget request contains $26,600,000 for this purpose. As in other areas, the Army has a backlog of energy conservation projects for its housing units against which these funds will be applied to the higher/quicker payback projects.

HOUSING OCCUPANCY GUARANTEES

The last of the initiatives I would like to discuss is a legislative proposal strongly supported by the Army as another means of reducing the housing deficits in an economical manner.

The Housing Occupancy Guarantee Program is proposed as an amendment to Title 10 of the US Code. It would permit the military Services to enter into agreements with civilian developers to guarantee certain rental levels as a means to promote construction in the private sector.

HOMEOWNERS ASSISTANCE FUND

Let me take just a moment to address the Homeowners Assistance Fund. This fund is administered by the Army as the executive agent for the Department of Defense. The purpose of the fund is to reduce losses to military members and Defense employees who must sell their houses as a direct result of base realignment actions.

No appropriation or authorization is required for fiscal year 1984. This is due to the anticipated generation of revenue from the sale of properties previously purchased through the fund.

SUMMARY

In the Army's fiscal year 1984 family housing budget request, we believe we have developed a balanced program which embraces both the cost of ownership and other basic family housing requirements. We propose to meet our obligations to annually operate and maintain our inventory. Further, insofar as possible, we intend:

o To continue to fix our current inventory by reducing the backlog of deferred maintenance repair.

o To bring more of our aged inventory to contemporary standard of livability through the improvements program.

o To make our units more energy efficient through the application of energy conservation investment dollars.

o To house additional military families via a combination of new construction and leasing.

With your help we will provide our soldiers and their families with the level of family housing support which they deserve.

Mr. Chairman, I would like to emphasize that the Army's fiscal year 1984 Military Construction budget request reflects the needs and supports the programs presented by the Secretary of the Army and the Chief of Staff. The request emphasizes readiness, the Army's effort to improve our soldiers' living and working conditions, and to replace deteriorated facilities. It includes those projects of highest priority which are consistent with fiscal realities. Approval of the request will enhance the Army's ability to enlist and retain quality soldiers and support the improvement of the Army's operational readiness and war fighting ability.

Sir, this concludes my statement. I would be pleased to answer any questions or arrange for answers to be inserted in the record.

CHART 1

FY 84 MCA

FACILITY CATEGORY	($000) AUTHORIZATION	APPROPRIATION
OPERATIONS AND TRAINING	229,040	270,040
MAINTENANCE AND PRODUCTION	330,870	330,870
READINESS, DEVELOPMENT, TEST AND EVALUATION	35,050	35,050
SUPPLY	57,730	57,730
MEDICAL	25,300	25,300
ADMINISTRATIVE	9,660	9,660
HOUSING	215,120	215,120
COMMUNITY	73,890	73,890
UTILITIES	61,150	62,040
ENERGY CONSERVATION	40,660	40,660
OCCUPATIONAL SAFETY AND HEALTH	21,720	21,720
POLLUTION ABATEMENT	8,970	8,970
REAL ESTATE	3,450	3,450
UNSPECIFIED MINOR CONSTRUCTION	32,000	32,000
PLANNING, DESIGN & ACCESS ROADS	188,500	188,500
ARMY AMMUNITION PLANT CONSTRUCTION	10,130	
TOTAL	1,343,240	1,375,000

CHART 2

FY 84 MCA BUDGET REQUEST

	%	($ MILLION)
NEW MISSION	33	460
CURRENT MISSION	29	400
REPLACEMENT/MODERNIZATION	24	327
PLANNING & DESIGN	14	188
TOTAL	100	$1,375

CHART 3

ARMY FAMILY HOUSING SUBACCOUNTS FISCAL YEAR 1984 BUDGET REQUEST ($ MILLIONS)

CONSTRUCTION	$ 187
OPERATION & MAINTENANCE	1,051
DEBT PAYMENT	35
TOTAL	$1,273

CHART 4

ARMY FAMILY HOUSING CONSTRUCTION ($ MILLIONS)

NEW CONSTRUCTION	$ 71*
POST ACQUISITION CONSTRUCTION	109
(IMPROVEMENTS)	($82)
(ECIP)	($27)
PLANNING & DESIGN	7
TOTAL	$ 187

* FOR 759 UNITS

CHART 5

ARMY FAMILY HOUSING FUND DISTRIBUTION
FISCAL YEAR 1984 BUDGET REQUEST
($ MILLIONS)

	CONST	O&M	DEBT	TOTAL
CONUS	$ 82	$ 431	$35	$ 548
EUROPE	78	463	0	541
OTHER	27	157	0	184
TOTAL	$187	$1,051	$35	$1,273

CHART 6

ARMY FAMILY HOUSING INVENTORY
END FISCAL YEAR 1984 ESTIMATE

	OWNED	LEASED	TOTAL
CONUS	88,036	0	88,036
EUROPE	41,298	13,949	55,247
OTHER	27,216	1,307	28,523
TOTAL	156,550	15,256	171,806

MAJOR GENERAL NORMAN G. DELBRIDGE, JR.

Major General Norman G. Delbridge, Jr., was born 4 January 1928 in Detroit, Michigan. He is a 1953 graduate of the US Military Academy, having also served as an enlisted man and active reserve officer for three years prior to entry into West Point.

He holds a master's degree in civil engineering from Iowa State University and is a registered professional engineer. General Delbridge is a graduate of the US Army Command and General Staff College and the Army War College; has attended Michigan Technological University at Houghton, Michigan; and has served two years as Assistant Professor of Military Science at Michigan State University at East Lansing, Michigan.

General Delbridge's service with engineer troop units has included tours in Korea as commander of a combat engineer company in the 3d Infantry Division and in Vietnam as commander of the 4th Engineer Battalion, 4th Infantry Division. He has also commanded the Division Support Command of the 3d Armored Division in Germany.

In addition to various staff positions, recent assignments have included tours as the South Pacific Division Engineer in San Francisco; as European Division Engineer in Frankfurt, Germany; with the Army Staff; and as the District Engineer at Pittsburgh, Pennsylvania.

On 15 September 1980 General Delbridge was assigned to the Office of the Chief of Engineers with duty as the Assistant Chief of Engineers.

INCREASE OF CONSTRUCTION FUND LEVELS

Senator **Mattingly**. Thank you very much, General.

I was just commenting, you must have the same plumber I have in Georgetown. [Laughter.]

If you find the man who is going to repair the leaks, give me a call.

Several questions we will submit in writing to you and you can respond that way.

General **Delbridge**. Yes, sir.

Senator **Mattingly**. You made mention in your statement that greater levels of construction funds are anticipated over the next 5 years. What impact do you expect will be felt on the backlog by the end of the next 5-year cycle?

General **Delbridge**. I am sorry, sir.

BACKLOG

Senator **Mattingly**. What do you think will be the impact on the backlog at the end of the next 5-year cycle?

General **Delbridge**. We have three separate backlogs, Mr. Chairman. In military construction we have a backlog of $24.3 billion at the present time. With next year's program we expect the backlog to turn down. Over the period of 5 years we expect that the backlog, as the Army presently has structured its 5-year program to be significantly reduced. I do not have the curve in front of me but I believe it will come down about $1 billion, Mr. Chairman.

Senator **Mattingly**. $1 billion.

General **Delbridge**. In family housing, we expect that deferred maintenance will be eliminated and that we will be at an operating backlog level at the end of the current 5-year program.

In the case of backlog of maintenance and repair of our facilities—since we address all three of them at my level—we expect to have that one down by 1990 to an operating level. We have a little over $2 billion in the repair and maintenance backlog of our facilities throughout the world. We are working hard on that program as well.

Senator **Mattingly**. You can forecast better than Congress can if you can figure up to 1990, I will tell you that.

PERCENTAGE OF ARMY BUDGET IN MILITARY CONSTRUCTION

What portion of the Army's budget does military construction represent now?

General **Delbridge**. Of the $65 billion, Mr. Chairman, which is presently in the program, our military construction is $1.375 billion and family housing at $1.273 billion.

Senator **Mattingly**. About 3 percent.

Just how does that compare with the last few years; is it up or down?

General **Delbridge**. It is about 2 percent of the program in MCA and about 2 percent in Army family housing, Mr. Chairman.

We are up this year. Last year we requested $1.1 billion and with the add-ons that took place we are getting about $1.050 billion.

This year our request for military construction is $1.375 billion. So, it is up about $300 million.

That increase has been a very conscious decision on the part of the Army. The total obligation authority of the Army actually did not increase but the Army "bit the bullet" if you will, for the first time in many years and transferred funds from other accounts to raise the construction to address the needs which I cited in my opening presentation.

So, it is a conscious decision which is not an overall increase but a movement of funds within the Army's total obligation authority.

ELIMINATION OF WORLD WAR II BARRACKS

Senator **Mattingly**. In watching your slides up there you have shown a lot of the old barracks. You testified last year that some 200 World War II buildings would be demolished with approval of the fiscal year 1983 budget.

I assume that since your budget for last year was approved with only a slight reduction, that many of the World War II facilities will come down. Is that so?

General **Delbridge**. Yes, sir, it is. That is a very concerted effort. The maintenance of those World War II facilities is eating us alive. Therefore, every facility that is built on the footprint of one causes those barracks to be demolished.

Having said that, however, we still have some other requirements. We have 81,000 soldiers still living in those barracks. They are used for a variety of other purposes like ROTC summer camps. We have a program with the commanders to identify each of the needs and then demolish those for which there is no specific use.

We simply cannot keep those facilities in the inventory, it is not good business.

Senator **Mattingly**. What percentage are we keeping? I am aware that a lot of them are used for storage; is that not true?

General **Delbridge**. I am sorry, sir.

Senator **Mattingly**. A lot of them are used for storage facilities.

General **Delbridge**. Yes, sir, that is correct.

Senator **Mattingly**. Now, what percentage of them are going to be coming down, or are we going to keep up?

General **Delbridge**. I will have to provide that for the record, Mr. Chairman.

[The information follows:]

World War II Facilities Demolished as Result of Fiscal Year 1984 Program

Approval of the Army's fiscal year 1984 MCA Program request will result in demolition of 322 substandard buildings totaling 1,061,243 SF.

Senator **Mattingly**. I do not worry much about going out to tear them down. But when you are talking about tearing them down, they do not tear them down. They let them stay up and use them for some other reasons, I think.

General **Delbridge**. Well, whenever the 1391 shows a new facility coming in, you will see in a majority of cases that there is an amount shown for demolition. It will say so many temporary buildings will be demolished.

In the course of the year as we prepare to testify Mr. Carton and I travel to almost every installation with a construction project in the budget. We meet and I talk with those commanders, and we go to the sites and take a look and explain to them that there is no question about those buildings having to come down.

We go back the next year and they are down. Now, for the most part it is insured because the new construction is going in on the footprint of the old. They do not have any alternative.

Senator MATTINGLY. Well, some of them are old enough that it probably will not cost anything to take down, they just fall down.

General DELBRIDGE. Yes, sir, that is correct.

NUCLEAR WEAPONS STORAGE

Senator MATTINGLY. I believe that the subcommittee has been very interested in the continuing dialog of arms reduction in Europe and throughout the world. In light of the recent articles in the newspapers concerning the return to the United States of outdated nuclear weapons, could you please tell us what impact such a move would have on this request and future requests?

General DELBRIDGE. That would be very difficult. You are talking specifically of armaments coming back, Mr. Chairman, or people coming back?

Senator MATTINGLY. Armaments.

General DELBRIDGE. Nuclear weapons.

Senator MATTINGLY. Right.

General DELBRIDGE. I would have to analyze it in detail, but shooting from the hip I would say that there would probably be a limited impact. There would be a requirement to improve some of our current stockpiling areas within the United States with increased bunkers to take these weapons and store them—for those that would be retained in the inventory.

If they are older weapons as the articles indicated, I expect those would be dismantled.

MASTER RESTATIONING PLAN

Senator MATTINGLY. Could you give me just a brief explanation of the master restationing plan for the Army in Europe and what is the Army's contribution at this point to the negotiations with the German Government?

General DELBRIDGE. I will be happy to, Mr. Chairman.

The master restationing plan was an initiative some 2 years ago. It was born of the need—several needs really. One was a maldeployment of our U.S. forces. When someone would ask the Army where is the Army stationed in the world, General Eisenhower's comment was, "Where the last war ended."

That not only applies to Korea and World War II but also in our own country to the Indian wars, where some of our facilities are still there.

Well, in essence we are billetted about where we stopped in Germany at the end of World War II. We went into old Kasernes. As we look at the current defensive requirement in Europe and our potential adversary, we have a combat division west of the Rhine River which to get to its battle positions, would not only have to cross the river which would be somewhat difficult if the bridges were blown, but also go through major population centers such as Frankfurt.

So, one of the objectives of the master restationing plan was a redeployment forward to improve our movement time to battle positions.

Second, it was to address the facilities needs of our soldiers because we occupied facilities, as I mentioned in my presentation, that were occupied by soldiers, the Hessians, that fought George Washington. That is a true statement.

Or, as a minimum, those facilities built back in the 1930's that have not had that much maintenance and are simply falling down around our neck. So, to move forward would be to gain new facilities.

The third point is modernization. As we modernize our forces with new equipment going to these new facilities, it gives us room in the rear to accommodate new equipment and units. Congress has directed that the MPR be cost-shared by our German allies—not unlike the cost-sharing process at Garlstadt in northern Germany where the Germans funded the operational facilities for the brigade which is stationed there, and the United States funded the community facilities.

Now, the idea may be palatable to our German allies because as we move out of our current facilities which are old, the Germans would regain rather valuable real estate located in urban, densely populated areas. Therefore, the German Government could sell the property and that would permit them to help pay for the new facilities.

That was the plan and we entered into discussions with the Germans starting last year. Those discussions have progressed, with the most recent meeting taking place not more than about 3 weeks ago here in Washington.

Discussions have progressed to the formation of a group of experts from both nations and a negotiating team headed up by the Office of the Secretary of Defense, with State Department representation and an Army representation.

My boss, Lieutenant General Bratton, Chief of Engineers, is the Army representative on that team.

The stickler in the entire process is who pays. The Germans' position, given their economic situation has been that these facilities are the kinds of things that user nations should pay for—billets and maintenance facilities.

However, we feel the negotiations have been very, very productive and there is a great deal of agreement on almost every facet of the master restationing plan with the exception of the payment.

Senator MATTINGLY. That always seems to be a stickler.

General DELBRIDGE. Yes, sir.

Senator MATTINGLY. Go ahead.

General DELBRIDGE. The total cost, sir, that we envision for that portion under discussion would be about $1.3 billion. That would be to move three brigades to three locations forward in locations at Vilseck and Grafenwöhr, Wildflecken, and Giessen; those three locations.

As a result of the fact that those three locations are the MPR locations and to avoid the impression that we were going to put facilities in there anyway, we have no projects at those locations for movement of units under MRP.

There are some minor amounts of money going into those locations but only to take care of some soldiers and families who are already stationed there. In 1985 we anticipate that there will be joint funding now that the German elections are over.

Senator MATTINGLY. Do you think that will help them participate in funding, since the elections are over?

General DELBRIDGE. We are encouraged with what we hear.

Senator MATTINGLY. They have not sent the check yet, though; have they?

General DELBRIDGE. Not yet.

Senator MATTINGLY. The Army has been unable to put much efforts to its backlog because of the growing number of new weapon systems. In this budget, what new systems have construction requirements, new weapon systems?

NEW WEAPONS—CONSTRUCTION REQUIREMENTS

General DELBRIDGE. We will try to come up with a total amount of dollars on that, Mr. Chairman. But the systems, the new systems that have facilities "tails" to them, if you will, are the multiple-launch rocket system, the Patriot air defense missile system, the division air defense gun—the DIVAD—and the M2-M3 which is the Bradley fighting vehicle, which is our infantry-calvary fighting vehicle.

Those have a variety of facilities associated with them. The M-1 tank also. I mentioned to you in the presentation that we have $102 million in ranges. Those ranges are not required just because we do not have ranges to fire our current tanks and armored system, the ranges now are aimed at those new weapon systems.

For example, the M-1 tank moves at some 35 or 40 miles an hour. Its range is greater. It has a requirement for laser target designation. And moving as fast, to keep the infantry with the armor, is the M2-M3 fighting vehicle.

The new ranges are much more sophisticated than the old ones where we would pull up to a firing line and fire at stationary targets or even moving targets. That is why there is such a cost involved. You can move up to a whole company down the new range at the same time. That gives a platoon leader, a young lieutenant, the opportunity to guide and direct fire as multiple targets come up. We never had that before.

The targets are all fully automated so we know the scores immediately and we can control everything from a central control point. The targets are thermal, so that we can fire at them at night and they are also sensitive to lasers so that we can detect hits with lasers. That reduces the tremendous costs that we have for training ammunition. We will be able to go down-range, fire with lasers, determine the hits, and achieve combat reality at much less expense.

So, there is an initial cost but we expect savings to accrue. Now, that is just in the range portion. I could go on, Mr. Chairman.

Senator MATTINGLY. I notice you are going to build a DIVAD range.

General DELBRIDGE. Yes, sir. We are building a DIVAD range at Fort Bliss this year.

Senator MATTINGLY. Have they already begun construction?

General DELBRIDGE. I beg your pardon?

Senator MATTINGLY. Have they already started construction on that?

General DELBRIDGE. No, sir. We are requesting that in this particular program, I believe it is $4.5 million. That will be the first one. I am sorry, sir, it is $9 million, a multipurpose DIVAD range.

DIVAD

Senator MATTINGLY. When are the DIVAD's going to be ready?

General DELBRIDGE. They are throught the second production—let me ask if I have somebody here.

Mr. CARTON. Sir, the first production buy of the DIVAD is underway. The second production buy is due to be awarded in the near future.

Senator MATTINGLY. The first production buy is for what, though, just test?

Mr. CARTON. No, sir.

General DELBRIDGE. That is 50 units, Mr. Chairman. The second production buy is for 96 units. But the first production buy is already under way.

Senator MATTINGLY. Where did they test the equipment?

General DELBRIDGE. I am sorry, sir.

Senator MATTINGLY. Where did they test the DIVAD, does anybody know?

General DELBRIDGE. I am going to have to ask for help on that. It was tested at Fort Bliss, sir.

Senator MATTINGLY. Fort Bliss, all right.

I know you are a West Point graduate so you can tell me a little bit about this project to purchase a college campus adjacent to West Point. I figure you would have inside information on that.

General DELBRIDGE. Yes, sir. Ladycliff College is a girls' school that functioned while I was a cadet, but it has subsequently gone bankrupt. I had nothing to do with that, however, Mr. Chairman. [Laughter.]

There are some pictures so you can take a look at what the campus looks like.

We came to the Congress last year requesting authority to lease, which was authorized, Mr. Chairman. We presently lease the college. We are using some of the adequate buildings. There are a number of them that are in bad shape.

The purchase price for this property is $3.5 million. We consider it quite a bargain, considering the lack of flat terrain in the vicinity of the Military Academy.

Senator MATTINGLY. Let me ask you this, after you buy it how much is it going to cost to fix it up? I am sure it is not going to end at $3.5 million.

General **Delbridge**. The total cost as estimated now, Mr. Chairman, is $46 million. But I must admit, that will not all go to Ladycliff. There will be some demolition of those old buildings.

But the real purpose of Ladycliff is to provide the ability to vacate a number of buildings in the academic area on the main part of West Point. For example, there is a piece of the library that does not have the volumes that the cadets use regulary, which will be moved.

There are the bachelor officers quarters in the main area which will be moved. One of the computer facilities supporting post operations and administration will be moved.

The bottom line is that the Ladycliff facilities free up some of the main buildings in the academic area which are the key to this whole project, because then we can provide additional laboratories and academic space for the cadets.

FAMILY HOUSING SHORTFALL

Senator **Mattingly**. Let me ask you this, what is our shortfall in family housing?

General **Delbridge**. I beg your pardon, sir?

Senator **Mattingly**. What is our shortage in family housing?

General **Delbridge**. At the Military Academy——

Senator **Mattingly**. I do not mean the Military Academy, just all over.

General **Delbridge**. Worldwide?

Senator **Mattingly**. Yes; a lot, is it not?

General **Delbridge**. It is 10,200, Mr. Chairman.

Senator **Mattingly**. I am just trying to figure that out, we could build 460 family housing units for $46 million. I am not saying not to buy Ladycliff here, I am just saying that is a lot of money.

I am not putting out an opinion on this but I am just saying if family housing is so urgent, you may want to consider that.

Mr. **Carton**. Sir, if I may. This is probably a unique opportunity to acquire the property at Ladycliff for $3.5 million.

Senator **Mattingly**. I agree, but it was the $46 million that disturbed me.

Mr. **Carton**. The $40 million is a long-term program—I wanted to give you the full cost. It is going to occur probably over a 10-year period.

COST OF FAMILY HOUSING UNITS

Senator **Mattingly**. I understand that, but neither is the projection for buying family housing across the board. It is not all going to be done in 1 year. I am not arguing with you, I just try to set priorities also.

You know, with regard to the family housing our subcommittee has been approached by smaller home builders who are concerned that they cannot compete for some of the family housing construction. They claim that military family housing averages $90,000 to $100,000 per unit. That is where I got the average of the $100,000 to figure out you can get 460 additional units there as the other alternative.

But they say they can build things better and cheaper. I understand that one of the problems appears to be the policy to build family housing on sort of a turnkey type basis and not have architects/engineer designs done prior to project consideration as we do with normal military construction projects.

Could you sort of elaborate on that and what recourse maybe a small builder might have?

General **Delbridge**. I will be glad to, Mr. Chairman.

First of all, the reason the cost is higher than what a builder might charge is the project includes the streets, the utilities connections, the sewage connections, the sidewalks, everything that is involved with the total development of the land.

We have found that the turnkey operation is very successful because that is essentially the way industry does it. A builder will design and build something himself. When we encouraged competition of these designers and builders we found that it has turned out in the long run to be the most economical procedure for the government.

We give the standard to be used in building. That standard this year has been modified to permit factory built housing firms to compete for contracts.

I might add, the dollar amount for family housing has gone down. The housing, for example, at Fort Stewart will be $60,000 per unit. So, we think that we are making this available to the smaller builder, Mr. Chairman.

Senator **Mattingly**. Let me ask you another question. You know, we are getting additional construction right now because of lower bids.

General **Delbridge**. Yes, sir.

SAVINGS FOR FISCAL YEARS 1983 AND 1984

Senator **Mattingly**. Do you have some idea about what your savings are running now or what you project them to be for this year, fiscal year 1983?

General **Delbridge**. Yes, sir. Let me turn to the major bookkeeper in our office and let Mr. Carton address that, sir.

Mr. **Carton**. Sir, on bids we have received to date we have saved about $55 million on the 1983 program. The 1983 program is just starting to roll, it is about 30 to 40 percent awarded.

Senator **Mattingly**. On those that have been awarded?

Mr. **Carton**. On those that have been awarded we have saved $55 million.

Senator **Mattingly**. What percent is that?

Mr. **Carton**. It varies, they are coming in between 70 and 80 percent.

We have two cautions we would like to make. No. 1, the bids in Europe are coming in exceptionally well while the dollar is high in Europe. We are able to purchase marks right now, as of this morning at 2.39 marks to the dollar.

When the dollar falls, as it has in the past—I am not predicting the dollar will fall—but if the dollar falls again we must buy those marks as we pay the construction contractor. The Treasury does not allow us to buy the marks and put them in a bank because they say that is speculating against the U.S. dollar. So that we buy the marks as we pay the contractor. We must put aside a reserve of dollars so that in the event that there is a fall in the value of the dollar we do not go into an overobligated position. So, there is some money reserved for that.

The second thing is, we are starting to see a slight increase in our bids—not much. We are not up to the programed amount yet, bids are still coming in low. But we are starting to see, I think, the beginning of a trend which says the contractors are beginning to expect things to get better and therefore they are not bidding as low as they used to.

Senator **Mattingly**. Let us not talk about that too much, we will try to keep them lower right now so we can build more.

Mr. **Carton**. Yes, sir. We are doing very well right now.

Senator **Mattingly**. That is right.

Mr. **Carton**. We expect because we are doing that well that we will have the $120 million available to fund the projects that the Congress added last year without funds. Between savings on the end of the 1982 program and savings we have achieved on the 1983 program, we have that money on hand.

Senator **Mattingly**. But at that rate we are going to save more than what we had speculated.

Mr. **Carton**. It is quite possible that we will save more. We will be in a better position, sir, in about 30 days.

Senator **Mattingly**. Good.

Mr. **Carton**. As we are opening a very large number of bids I think we will be in a good position before your committee is ready to mark up. It will be a good projection.

Senator **Mattingly**. I believe that takes care of the hearing for today. General, I appreciate you coming and bringing your people with you today.

SUBCOMMITTEE QUESTIONS

Additional questions from subcommittee members will be inserted in the record at this point.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MATTINGLY

QUESTION: In light of the Army's need with relation to facilities, what, if any, consideration has been given by the highest levels of the Army to increasing military construction and slowing other programs?

ANSWER: We would like to be able to devote more resources to our facilities needs. Unfortunately, however, facilities problems constitute but one of several inadequacies in our budget, and these are the result of having to allocate limited dollars among many legitimate competing requirements, not the result of underfunding any individual budget component to pay for others. Our goal in developing the budget is to build a balanced program which provides the greatest capability with the available resources. We feel that the FY 84 request now before Congress accomplishes that goal.

QUESTION: I do not want to sound too parochial; however, as we are all aware, my home state of Georgia has several major Army installations. Could you please briefly highlight now what the Georgia request for Army facilities amounts to. For the record, it would be appreciated if you could provide detail on each project.

ANSWER: The projects in Georgia included in the fiscal year 1984 MCA program are as follows:

Fort Benning	
Ammunition Storage	2,650,000
(Construction of new facilities to replace inadequate temporary facilities at the Ammunition Storage Installation)	
Infantry Remote Target System Ranges	5,200,000
(Construction of training range facilities and upgrading Malone Range 18 to replace inadequate, obsolete facilities)	
Energy Monitoring and Control System	8,400,000
(Provides for completion of control system at Fort Benning with amortization of costs in 8.1 years)	
Tactical Equipment Shop	5,500,000
(Construct an addition to a tactical equipment shop to provide maintenance for 63 new Bradley Infantry Fighting Vehicles)	
Fort Stewart	
Electrical Distribution System	3,000,000
(Provide electrical service to a new brigade size cantonment area)	
Steam Distribution System	6,500,000
(Provide heating and cooling services to a new brigade size cantonment area)	
Battalion Headquarters and Classroom	2,600,000
(Construct permanent headquarters with classrooms for the 92nd Engineer Battalion in the new brigade size cantonment area)	
Tactical Equipment Shop	8,800,000
(Construction of new facilities to replace temporary inadequate facilities)	
Relocate Vanguard Facility	2,670,000
(Provide a new facility for VANGUARD, a Naval Space surveillance operation. Current location adjacent to artillery impact area limits use of the range)	
Tactical Equipment Shop	2,450,000

(Construction of new facilities to replace inadequate facilities)
Company Administration and Supply 1,500,000
(Construction of new facilities to replace temporary World War II wooden buildings)
Battalion Headquarters and Classrooms 1,400,000
(Construction of new facilities to replace temporary World War II wooden buildings)
Hardstands 370,000
(Construction of maintenance hardstand with washrack for DIVAD Gun, 5/52nd Air Defense Artillery Battalion)
Company Administration and Supply 430,000
(Provide facilities for a Air Defense Artillery Battery for fielding of the DIVAD Gun)

QUESTION: General Delbridge, I understand that in your position you travel throughout the world to personally view the Army's facilities. I am fully aware, also, of the desire by the Army to provide better facilities, especially in Germany. What do you believe are the worst facilities the Army has, and are these high on the priority list for repair and/or replacement?

ANSWER: Right now the Army's major emphasis on facilities to be repaired or replaced is where the soldier works, primarily maintenance facilities, and where he lives, the barracks. This year we have programmed 32 tactical equipment shops at a cost of $153 million. We expect to eliminate our backlog of required maintenance facilities by the late 1990's.

We have also programmed $178 million for unaccompanied personnel housing which will provide spaces for 7,972 soldiers. We expect to eliminate the backlog of troop housing requirements by 1992.

QUESTION: The Army has been unable to put much effort into its backlog because of the growing numbers of new weapons systems being introduced. In this budget, what new systems have construction requirements? What other systems will requre facilities in the next two-to-three years?

ANSWER: The following systems have construction requirements either unique to or associated with their fielding in the FY 84 MILCON:

Apache Helicopter(AH-64)
STINGER
PATRIOT
Bradley Fight Vehicle
M60 Tank
M1 Tank
Survelliance System (AN/UPD)
DIVAD
Hellfire
CH-47D Helicopter
Squad Assault Weapon (SAW)
Infantry Remote Targer System (IRETS)
Light Air Cushioned Vehicle (LACV 30)
Multi-Launch Rocket System (MLRS)
Black Hawk (UH-60) Helicopter
Tri-service Tactical Communication System (TRITAC)
Guardrail

The following additional systems are projected to require construction either unique to or associated with their fielding in the FY 85-88 period:

Fire Support Team Vehicle (FISTV)
Fork Lift 25 Ton
M9 (Armored Combat Engineer Vehicle)

Remotely Piloted Vehicle (RPV)
TOW
Heavy Expanded Type Truck (HEMTT)
All Source Analysis System (ASAS)

QUESTION. The modernization of Rock Island Arsenal in Illinois requires a $22 million project this year. Please tell the subcommittee about this program.

ANSWER. The REARM project at Rock Island Arsenal (RIA) represents a major effort by the Army to improve facilities and equipment and balance the peacetime armament production and surge capability for mobilization requirements of the Army's two major arsenals. RIA is a follow-on project to the Watervliet REARM program which is currently under construction.

Project REARM at Rock Island is divided into three construction phases. Each will be a complete and usable facility so that the Arsenal will not have to wait to the end of the project to enjoy its benefits.

Phase 1 begins in FY84 and will include an 83,900 square foot machining center for numerically controlled tools and a 49,700 square foot high rise automated storage and retrieval warehouse. Both buildings will share a 41,900 square foot mezzanine. An old 40,000 square foot metal and glass building built in 1921 will be demolished to make way for this construction. The Phase 1 construction cost will be $22.0 million in FY84 dollars.

Phase 2 construction beginning in FY85 will be for a 181,000 square foot process building to house the new foundry, plating shop and a welding and steel fabrication shop. The construction cost for Phase 2 will be $45.2 million in FY85 dollars.

Phase 3 construction will begin in FY86 and include a 9,600 square foot addition to the forge shop and the rehabilitation of approximately 663 thousand square feet of buildings that will be retained in active manufacturing. This rehabilitation will bring these buildings into compliance with OSHA and fire safety codes and will increase their energy efficiency. The Phase 3 construction cost will be $23.8 million in FY86 dollars.

Equipment acquisition and plant rearrangement to support the construction is funded out of procurement appropriations for Weapons and Tracked Combat Vehicles. It is coordinated with the construction so that the equipment for each building will be delivered as that building becomes available for occupancy. The total construction costs are $91 million and the total equipment costs are $142 million for a total project cost of $233 million in program year dollars.

QUESTION: The budget this year includes requests for several training ranges with a particularly costly one at Fort Riley, Kansas. Please tell the Subcommittee where the Army is going with regard to range construction. How much do you expect to expend for ranges in future programs? Is technology changing rapidly so as to make ranges obsolete within a short time?

ANSWER: Fiscal 84 is the first year for new automated multipurpose ranges which will challenge the most basic (M16 rifle) and most sophisticated (Abrams Tank and Bradley Fighting Vehicle) weapon systems. Range modernization is required by poor condition of ranges and targets which have not been upgraded in 20 years (in some cases, since World War II) and by fielding of new weapon systems like the Abrams and Bradley. The availability of new standard target hardware and a new multipurpose design concept to get the most from available training land will allow us to vary target arrays, obtain hard copy results of firing exercises, and do multi-echelon--crew through combined arms team--exercises on one range complex.

Total MILCON to complete upgrade of ranges Army-wide is estimated at $300-$400 million in FY 85-89.

The ranges are designed to accommodate present, newly fielded and future weapons systems thru the 1990's. They feature new, state-of-the-art hardware with design flexibility to incorporate advances in targeting still on the drawing boards (i.e. scaled IR-source helicopter target with vertical ascent capability on a moving track) or in advanced development phases (laser gunnery technology).

QUESTIONS SUBMITTED BY SENATOR SASSER

Overseas Construction

QUESTION : Construction outside the U. S. will increase from $334 million in fiscal year 1983 to $494 million in fiscal year 1984. This is almost 40 percent of the Army's request. Please explain the urgency of providing such a large increase for the Army overseas.

Please provide a chart listing the amount and the percentage of funding outside the U. S. for the past five years. Also please provide a similar chart reflecting what is programed in the next five years.

ANSWER: FY 84 overseas construction for the Army has increased for two primary reasons. The first is to continue the Army's high priority program to improve the living and working conditions and thereby the readiness of our forward deployed troops in Europe and Korea. The second, is to continue the Army's Force Modernization program, begun in 1982. A third significant construction requirement is to support U. S. strategy in South West Asia. Funds appropriated for projects outside the U. S. in the past five years follows:

($Mil)

FY	79	80	81	82	83
Funds for overseas constr	210.2	137.3	273.6	382.2	317.5
% of total MCA program	29.5	18.9	31.9	38.4	34.1

FY	85	86	87	88
Funds programed overseas	1070	1075	1090	1330
% of total MCA program	42.0	34.6	32.5	39.9

The totals shown for the years 85-88 are taken from the five year defense program supporting the President's Budget. The Army is developing its FY 85-89 five year program the results of which will change the numbers shown for the years 85-88. Similarily the program will be adjusted during each succeeding update cycle.

QUESTION: Your statement indicates that 62 percent of the request is to support new missions and current mission shortfalls. How much and what percentage is strictly for new missions? What is the extent of current mission shortfalls?

ANSWER: Thirty-three percent of the Army's Fiscal Year 1984 MCA program is for new missions. The backlog of Army construction requirements to meet current mission needs is $7.8 billion.

CATEGORY SUMMARY

QUESTION: Table 1 of your statement outlines the distribution of the request by facility category in terms of cost and percentage of total. Please provide for the record a similar table for each category for each of the past five fiscal years. Also provide a table based on what is programmed for each of the next five fiscal years.

ANSWER: While the Army does have plans for future military construction projects, there does not exist at this time a definitive breakout by dollar amount for the future program years requested. The facility category table for fiscal year 1979 through 1983 is as follows:

Facility Category	FY 1979 Cost($000)	Percentage of Total
Operations and Training	25,813	3.5
Maintenance and Production	113,328	15.5
Research and Development	3,221	0.4
Supply	73,604	10.1
Medical	150,655	20.7
Administrative	20,651	2.8
Unaccompanied Housing	46,978	6.5
Community	6,844	0.9
Utilities	30,241	4.1
Energy Conservation	43,563	6.0
Occupational Safety and Health	.	0
Water Pollution Abatement	100,505	13.8
Real Estate and Access Roads	5,000	0.7
Unspecified Minor	23,107	3.2
Planning and Design	85 847	11.8
TOTAL	729,357	100.0

Facility Category	FY 1980 Cost($000)	Percentage of Total
Operations and Training	65,380	9.0
Maintenance and Production	122,678	16.9
Research and Development	18,542	2.6
Supply	28,719	4.0
Medical	21,521	3.0
Administrative	23,067	3.2
Unaccompanied Housing	102,078	14.1
Community	22,640	3.1
Utilities	55,451	7.7
Energy Conservation	43,452	6.0
Occupational Safety and Health	0	0
Water Pollution Abatement	108,642	15.0
Real Estate and Access Roads	27,506	3.8
Unspecified Minor	18,400	2.5
Planning and Design	66,096	9.1
TOTAL	724,172	100.0

Facility Category	FY 1981 Cost($000)	Percentage of Total
Operations and Training	78,209	8.7
Maintenance and Production	186,712	20.8
Research and Development	14,965	1.7
Supply	42,197	4.7
Medical	174,051	19.4
Administrative	15,238	1.7
Unaccompanied Housing	81,398	9.1
Community	18,700	2.1
Utilities	63,562	7.1
Energy Conservation	58,088	6.5
Occupational Safety and Health	1,150	0.1
Water Pollution Abatement	32,265	3.6
Real Estate and Access Roads	3,000	0.3
Unspecified Minor	24,670	2.7
Planning and Design	103,629	11.5
TOTAL	897,834	100.0

Facility Category	FY 1982 Cost($000)	Percentage of Total
Operations and Training	85,034	8.9
Maintenance and Production	156,947	16.5
Research and Development	27,570	2.9
Supply	30,175	3.2
Medical	111,732	11,8
Administrative	14,900	1.6
Unaccompanied Housing	172,813	18.2
Community	38,550	4.1
Utilities	45,155	4.7
Energy Conservation	61,195	6.4
Occupational Safety and Health	10,540	1.1
Water Pollution Abatement	4,790	0.5
Real Estate and Access Roads	37,800	4.0
Unspecified Minor	26,000	2.7
Planning and Design	127,500	13.4
TOTAL	950,701	100.0

Facility Category	FY 1983 Cost ($000)	Percentage of Total
Operations and Training	131,810	14.2
Maintenance and Production	246,330	26.5
Research and Development	4,950	0.5
Supply	5,850	0.6
Medical	54,850	5.9
Administrative	1,100	0.1
Unaccompanied Housing	197,530	21.2
Community	7,910	0.9
Utilities	67,160	7.2
Energy Conservation	18,130	2.0
Occupational Safety and Health	14,790	1.6
Water Pollution Abatement	4,350	0.5
Real Estate and Access Roads	3,000	0.3
Unspecified Minor	26,720	2.9
Planning and Design	145,240	15.6
TOTAL	929,720	100.0

MINOR CONSTRUCTION

QUESTION. What is requested for minor construction in FY 1984? What percentage of this request is for projects outside the U. S.?

ANSWER. The FY 1984 request for minor unspecified (exigent) construction is $32 million. The proportion of projects outside of the U. S. is unknown, since unforeseen projects are submitted during the year of execution. However, the normal distribution has been approximately 30-40% overseas. The following chart shows the geographic distribution of specified and unspecified minor construction:

Specified ($000)

FY	Overseas	CONUS	Total
79	3,440 (35%)	6,460 (65%)	9,900
80	5,727 (24%)	18,083 (76%)	23,810
81	3,013 (18%)	13,357 (82%)	16,370
82	370 (5%)	6,410 (95%)	6,780
83	15,117 (54%)	12,653 (46%)	27,770
84	(Discontinued by PL 97-214, "Military Construction Codification Act")		

Unspecified ($000)

FY	Overseas	CONUS	Total
79	8,418 (36%)	15,189 (64%)	23,607
80	4,657 (25%)	13,743 (75%)	18,400
81	11,125 (45%)	13,545 (55%)	24,670
82	9,530 (37%)	16,470 (63%)	26,000
83	4,540*	6,036*	26,720
84	-	-	32,000

*Fiscal Year in progress.

PLANNING AND DESIGN

QUESTION: What is requested for planning and design in FY 1984? What percentage and amount of this request will be outside the U.S.? Please prepare a chart for the record outlining the distribution of these funds for the last five fiscal years and estimates of what is programmed for the next five years.

ANSWER: The planning and design request for FY 1984 is $188 million. About 40% or $75 million will be used outside the United States. While the Army does have plans for future military construction projects, there does not exist at this time a definitive breakout by dollar amount for the future program years requested. Below is a chart showing available (new appropriations plus reprogramming) planning and design funds for fiscal year 1979 through fiscal year 1983 and the distribution of these funds outside the United States.

	Planning and Design Program	
Fiscal Years	Funds Available($000)	Per Cent Outside the United States
1979	$76,760	25%
1980	74,646	35%
1981	103,629	44%
1982	140,383	38%
1983	145,240	35%

Mobilization Planning and Design

QUESTION: Last year the Congress approved the request of $14.8 million for mobilization planning and design. What amount of these funds have been obligated?

ANSWER: The Army requested $14.84 million for FY 83 mobilization planning and design. The Congress reduced the $14.84 million request to $7.5 million transferring the balance of $7.34 million to the regular planning and design program. Of the $7.5 million appropriation $0.9 million has been obligated toward development of standard mobilization facilities designs ("M" drawings), and the remaining $6.6 million will be obligated by 31 August 1983.

QUESTION: Provide for the record a list of projects which have been approved for mobilization planning and design.

ANSWER: Mobilization planning and design funds are being used to develop a series of standard facilities designs ("M" drawings). These drawings are not site specific in that they are not equated to a particular project in the MCA Program. The standard facilities designs will be used at mobilization to expedite construction, similar to the method used to rapidly construct temporary buildings before and during WW II. There are 85 different types of standard facilities presently under contract for design. Ultimately, we will have standard designs for 130 separate facilities types required at mobilization. These standard designs will greatly reduce mobilization construction response time.

QUESTION: Are there any such funds requested in FY 1984?

ANSWER: Yes. Of the $13.0 million mobilization planning and design funds, we intend to use approximately $3.5 million to finish the standard mobilization M-drawings. The balance of the money ($9.5 million) will be used to start specific site designs of the most critical mobilization projects.

QUESTION: Are additional such funds programmed for the next five years?

ANSWER: The Army has programmed $110 million for design of mobilization projects through FY 88. This money will be used to complete development of mobilization standard drawings and to design specific critical mobilization projects.

QUESTION: Have the mobilization construction requirements been certified yet?

ANSWER: Major Army commanders have identified approximately $3.9 billion of mobilization construction that is required prior to or upon mobilization. The Army's Mobilization Construction Requirements Review Committee (MCRRC) has reviewed these requirements and, based on current army mobilization planning, can support approximately $3.45 billion of the identified construction, as being needed at the time of mobilization.

QUESTION: What is the estimated total cost of projects identified for mobilization construction?

ANSWER: The Army's Mobilization Construction Requirements Review Committee (MCRRC) has validated and approved approximately $3.45 billion of mobilization construction requirements that are required prior to or upon mobilization. The mobilization requirements process is continuing at each of the installations designated for mobilization. As construction requirements are added or deleted, the dollar value of the program may, and probably will, change.

QUESTION: When will mobilization construction projects begin to be requested in the military construction program?

ANSWER: Currently the Army has no plans to actually construct the $3.45 billion worth of mobilization construction validated by the Mobilization Construction Requirements Review Committee (MCRRC). Present plans provide for planning, development of standard designs for emergency-type construction, site-adaptation of these drawings at each mobilization station and development of a plan of execution of installation mobilization construction for each installation. However, as we gain a better grasp of critical facilities constraints in mobilization we may consider items of construction such as utilities, foundations, special medical or disposal requirements, road nets, and other facilities whose durability and lead time justify their actual construction in order to reduce the time of construction to an acceptable level. While our program currently contains no such facilities, we have requested the major Army commands to investigate mobilization requirements and include these facilities in future program submittals.

Multi-Purpose Ranges

QUESTION: What is included in the budget for construction of multi-purpose training range complexes?

ANSWER: The FY84 budget includes $58 million for construction of 3 Multi-Purpose Range Complexes (MPRC): at Fort Hood, Texas ($9.6 million); Fort Bliss, Texas ($17.5 million); Fort Riley, Kansas ($31 million).

These ranges feature new, standardized personnel and tank targets (moving and stationary) which will challenge even the new Abrams Tank and Bradley Fighting Vehicle weapon systems. They are electrically operated by a central computer console (also standard) which can vary the target array presented to whatever combination of weapon systems are being trained or evaluated. The total automated target hardware package uses commercial electrical power and gives these new ranges enormous flexibility and multiplicity of uses. Single crews and whole companies of different weapon systems will be trained or evaluated separately or together, with full caliber, subcaliber, or laser gunnery technology.

The multipurpose training ranges programmed for Fort Bliss, Fort Hood and Fort Riley have the same basic design described above. Most of the costs are attributable to installation of the target hardware, including electrical wiring and target emplacements, and to site improvements. Soil conditions at Fort Riley require extensive upgrade of course trails to ensure that the range can be fully used year-round. That is the primary reason for the relative difference in construction costs.

QUESTION. What is programmed in the next five years for such ranges and at what locations.

ANSWER. The FY85 Multi-Purpose Range Complex (MPRC) program, as well as projections for FY86-89, will be refined and prioritized at the scheduled DA/MACOM Range Conference/Priority Panel Meeting in June 1983.

The construction program will eventually provide one MPRC for each Division installation; the MPRC-heavy design for armor and mechanized infantry divisions; the MPRC-light for infantry, airborne and airmobile divisions. Selected Reserve Component training sites are also included.

QUESTION: Will these ranges accommodate training with the new equipment entering the Army's inventory or will the ranges have to be modified in the coming years to reflect the new weapons systems.

ANSWER: The ranges have been specifically designed to support the expanded capabilities of the M1 Abrams Tank, plus meet the new training requirements created by the M2 and M3 Bradley Infantry /Cavalry Fighting Vehicles. At the same time, the Multi-purpose Range Complexes (MPRC) will accommodate the current family of tanks (M60 thru M60A3) and infantry vehicles (M113, M901), which will be in the Active and Reserve component inventories thru the 1990's.

This inherent flexibility will also address the needs of emerging weapons systems--such as the wheeled Light Armored Vehicle (LAV-25)--plus other future systems variants which may be introduced as a result of the 9th Infantry Division's High-Technology Test Bed efforts at Fort Lewis, Washington.

QUESTION: $22 million is requested for Project REARM at the Rock Island Arsenal. What is the total cost of this project and when will it be complete?

ANSWER: The total cost of Rock Island Arsenal REARM is currently estimated at $233 million ($91 million construction, $142 million equipment). The final phase of construction will be requested in the FY 1986 MILCON REQUEST. The final year for request of equipment funding is FY 1987.

QUESTION: Provide the requirements which are programed for each future fiscal year.

ANSWER: The following funding profile for Rock Island Arsenal lays out the REARM requirements programed for each fiscal year.

Rock Island Arsenal REARM
(Cost in Millions of Dollars)

	82	83	84	85	86	87	Total
MCA			22.0	45.2	23.8		91.0
Equipment	4.0	9.5	27.0	24.6	45.3	31.6	142.0
					Total		233.0

QUESTION: The Congress approved in the Defense bill $13.5 million for equipment procurement at Rock Island associated with Project REARM. At the time this procurement was requested, did the Army forward a program outline to the Congress which stated the extent of future military construction requirements? If so, please provide a copy of that information for the record.

ANSWER: $13.5 million was initially associated with the equipment requirements in FY 1983. The FY83 Defense bill, Weapons and Tracked Combat Vehicles, appropriated $41.7 million for the REARM program. $32.2 million was provided for equipment at Watervliet Arsenal while $9.5 million was provided Rock Island Arsenal. The remaining $4 million from the initial amount was deferred to the FY 1984 procurement request.

The Army did notify the Congress by letter on 22 June 1982 which indicated the REARM program cost would be $233.5 million. The detailed cost breakout was provided to the Congressional staff. This breakout is similar to the one provided in the previous question. A copy of the letter to the Congress is provided below:

Honorable Jamie L. Whitten
Chairman, Committee on Appropriations
House of Representatives
Washington, D.C. 20515

22 Jun 1982

Dear Mr. Chairman:

This letter is to inform you that the Rock Island Arsenal Renovation of Armament Manufacturing (RIA-REARM) effort will begin in FY 1982 rather than in FY 1983 as reported in the FY 1982 budget justification material.

The FY 1982 project presents the beginning of a 6-year effort to increase peacetime production capacity of Rock Island Arsenal by one-third with no increase in personnel. This project is the second part of the Army program, started in FY 1978 at Watervliet Arsenal, to upgrade the production capability at both arsenals. Significant mobilization benefits will also be realized as the response time to mobilization production levels will be reduced from 22 to 6 months leadtime.

The FY 1982 project for $4.0 million provides initial funding for a $233.5 million effort to renovate armament manufacturing at Rock Island. As a result of a reassessment of the schedule, it was determined that the FY 1982 project is required to avoid delay in the Rock Island Arsenal - REARM master plan by providing for the design of the automated storage and retrieval system stacker crane that must be submitted in the FY 1984 Military Construction, Army Budget and for plant and utilities rearrangement prior to the initiation of the FY 1984 military construction project.

To avoid a delay in the total Rock Island Arsenal - REARM program, the Army intends to initiate this effort on 12 July 1982. The $4.0 million required for this FY 1982 project is provided from other production base support projects accelerated into FY 1981. If you have any questions about this project, please contact me.

Sincerely,
signed

J. R. SCULLEY
Assistant Secretary of the Army
(Research, Development and Acquisition)

QUESTION: The budget requests procurement approval for 720 M1 tanks. The wartime mobilization workload at Rock Island calls for an arsenal production rate of 8,436 flex machine guns for the M1 tanks within six months. Project REARM will modernize the facility to accommodate this rate and increased rates for other Army weapons. The mobilization workload also calls for production of 1,800 M1 gun mounts. In mobilization why would we need almost five times as many machine guns for the M1 as we need tanks?

ANSWER: The procurement approval for 720 M1 tanks is for peacetime production. The 1800 M1 Gun Mounts and the 8436 Flex Machine Guns are annual mobilization production planning rates based upon DD 1519 planning agreements signed by Rock Island Arsenal during the original REARM planning phase. More M2 Flex Machine Guns are required than M1 Gun Mounts because the Machine Gun is used on other combat vehicles such as the M88 Recovery Vehicle, M109 Self-Propelled Howitzer, and various vehicles in the M113 family, in addition to the M1 Tank.

QUESTION: Please provide for the committee files a copy of the mobilization study which outlines the requirements for the eight weapons systems supported at Rock Island. Also provide the study which indicates that the industrial base can support each such mobilization levels.

ANSWER: Department of the Army staff computes mobilization requirements for complete weapons systems but not for spares. The U.S. Army Armament Materiel Readiness Command computes mobilization requirements for spares to weapons. When these requirements are combined, the total mobilization requirement is identified. The U.S. Army Armament Materiel Readiness Command uses these requirements as a basis for surveying the capacity of the U.S. Industrial Base. These surveys, which are conducted annually, request private and government industrial producers to allocate production capacity for specified mobilization requirements. The responses from the producers will indicate what capacity can be allocated and what industrial preparedness measures may be required to increase capacity. As a result of these surveys Rock Island Arsenal entered into planning agreements for the eight weapon systems supported, which are the basis of the REARM mobilization requirements. In addition, three private producers with limited capabilities were also identified to meet mobilization requirements for specific items which they could produce. These initial REARM planning agreements (DD Forms 1519) with Rock Island Arsenal and with three private producers are submitted for your committee files. The initial REARM mobilization requirements are those referred to by Rock Island Arsenal in its briefing to the Staff on Project REARM. The planning agreements for the three initial private producers represent the industrial mobilization capacity of the private sector. As such, these combined planning agreements constitute the country's industrial base capacity to meet Army mobilization requirements.

DOD INDUSTRIAL PREPAREDNESS PROGRAM **PRODUCTION PLANNING SCHEDULE**	*Form Approved* *OMB No. 22-R0251*

NOTE: Use of the data entered on this form will be limited to duly accredited officials of the Department of Defense who are subject to penalties for unlawful disclosure. The protection given to data relating to your facility under the Espionage Act and other statutes will confine accessibility within the Government to those responsible for procurement, production preparedness planning, and defense of the United States.

Procuring Activity/Customer Plant Data	Industrial Source (Operating Plant) Data
1. NAME AND ADDRESS *(Include ZIP Code)* Commander US Army Materiel Readiness Command ATTN: DRSAR-IRW-R Rock Island, IL 61299	2. NAME AND ADDRESS *(Include ZIP Code)* PLANT INDEX NUMBER
1a. REPRESENTATIVE AND TELEPHONE NUMBER K. W. James, DRSAR-IRW-R Autovon 793-4508/3635 Commercial: 309-794-4508/3635	2a. REPRESENTATIVE AND TELEPHONE NUMBER
1b. CUSTOMER PLANT ASPPO CODE NO. OFFICE AND ADDRESS	2b. ASPPO CODE NO. OFFICE AND ADDRESS
1c. REPRESENTATIVE AND TELEPHONE NUMBER	2c. REPRESENTATIVE AND TELEPHONE NUMBER
1d. THIS SCHEDULE COVERS: ☒ PRIME CONTRACTOR PLANNING ☐ SUBCONTRACTOR PLANNING *(Tier)*	2d. UTM

ACCEPTANCE BY INDUSTRIAL MANAGEMENT AND BY GOVERNMENT

The signatures below attest that the information contained herein is true and correct in the judgment of the signatories at the time of signature. Further the signatures indicate (1) an awareness of the Government's dependence upon these data as a basis for appropriate and often costly measures to insure the adequacy of the US industrial base; (2) recognition of the Government's intention to convert production planning schedules to contracts by negotiation on a selective basis as may be required to minimize materiel shortages during a future Limited War, and (3) recognition that it is also the Government's intention, consistent with such planned production as may be converted to prime contracts by negotiation, to require that planned subcontract support will be similarly converted to subcontracts. Notwithstanding the foregoing basis for acceptance, the signatures hereon in no way bind the named firm(s) nor the Government in any contractual relationship, nor is acceptance to be construed as an agreement by industry to maintain production capability as indicated herein. The signature of industry does not obligate the named firm to accept a military contract if one is offered nor is the Government obligated to convert production planning schedules to contracts, to contract with the named firm if procurement of the items specified herein is required, or to convert planned subcontract support to subcontracts if the planned production is converted to prime contracts. It is understood, however, that the named firm(s) may be required to accept such a military contract(s) under applicable laws and regulations as may be in effect at the time.

3. PROCURING ACTIVITY OR CUSTOMER PLANT	4. OPERATING PLANT I.P.R.	5. OPERATING PLANT ASPPO	6. EFFECTIVE PERIOD
SIGNATURE AND DATE [illegible]	SIGNATURE AND DATE 26 SEP 1979	SIGNATURE AND DATE	1 Oct 79 30 Sep 80
1ST RENEWAL *(Signature and date)*	1ST RENEWAL *(Signature and date)*	1ST RENEWAL *(Signature and date)*	

7. REFERENCE NUMBER	7a. PREPARED BY	7b. DATE
See Attached Sheet	K. W. JAMES, DRSAR-IRW R	1[illegible] AUG 1979

DD Form 1519 (Cont.)

7. Reference Numbers: DRSAR-IRW-R-05-80-0021, 0023, 0029, 0045, 0048, 0177, 0207, 0209, 0211, 0214, 0533, 0534, 0535, 0536 0537, 0539, 0541, 0389, 0391, 0393, 0395, 0397, and 0399.

8. ITEM DESCRIPTION Howitzer, Lt, towed, 105mm, M101A1 (Recoil Mech., Carriage and Final Assembly) NSN: 1015-00-322-9752	9. REFERENCE NUMBER DRSAR-IRW-R 05-80-0021
	9a. UNIT OF MEASURE Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY80											
0 0 0	0 0 0	0 0 0	1 3 8	12	and each month thereafter.						
11a. ALLOCATED PRODUCTION								b. SHIFT BASIS 2-1/2-8-5			
0 0 0	0 0 0	0 0 0	1 3 8	10							
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION								b. SHIFT BASIS			
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE											b. MSR= 2 (10)
10 10 10	10 10 10	(10) is the quantity per month currently being produced									
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 9 9								
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
10 10 10	10 10 12	(10) is the quantity per month currently being produced									
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 9 9	12							

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

8. ITEM DESCRIPTION Howitzer, Lt, towed 105mm, M102 (Recoil Mech., Carriage and Final Assembly) NSN: 1015-00-086-8164	9. REFERENCE NUMBER DRSAR-IRW-R 05-80-0023
	9a. UNIT OF MEASURE Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	0 0 0	1 3 8	13	and each month thereafter.						
11a. ALLOCATED PRODUCTION						b. SHIFT BASIS 2-1/2-8-5					
0 0 0	0 0 0	0 0 0	1 3 8	11							
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION						b. SHIFT BASIS					
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE										b. MSR= 2 (9)	
9 9 9	10 10 11		(9) Is the quantity per month currently being produced.								
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	1 3 8	11							
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
9 9 9	10 11 13		(9) Is the quantity per month currently being produced.								
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	1 3 8	13							

*When completion of Items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

9. ITEM DESCRIPTION Howitzer med., towed, 155mm, M198 (Recoil mech., Intergration & Final Assembly) NSN: 1025-01-026-6648	8. REFERENCE NUMBER DRSAR-IRW-R 05-80-0029
	9a. UNIT OF MEASURE Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	0 0 0	0 0 3	8 15 25	35 40	and each month thereafter.					
11a. ALLOCATED PRODUCTION							b. SHIFT BASIS 2-1/2-8-5				
0 0 0	0 0 0	0 0 0	0 0 3	8 15 24							
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE											b. MSR= 2 (4)
4 4 4	6 7 8	15 24		(4) Is the quantity per month currently being produced.							
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 0 3	8 15 24							
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
4 4 4	6 7 8	15 24 27	35 40	(4) Is the quantity per month currently being produced.							
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 0 3	8 15 25	35 40						

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

27-35/Mo - Acquisition of one vertical hydro-tel, two N/C machining centers, two N/C horizontal hydro-tels, one thread mill, one boring mill, one N/C VTL, two engine lathes, two surface grinders, two hones, and one heat treat furnace - $3.60M̄

35-40/Mo - Acquisition of one vertical hydro-tel, two N/C machining centers, one horizontal N/C hydro-tel, two thread mills, one boring mill, one planer, one engine lathe, one N/C lathe, one surface grinder, and one hone - $4.17M̄

$8.99M̄

9. ITEM DESCRIPTION

Machine Gun, Cal. .50, M85

NSN: 1005-00-690-2790

8. REFERENCE NUMBER

DRSAR-IRW-R
05-80-0045

9a. UNIT OF MEASURE

Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	0 0 0	0 0 10	30 85 150	225 385 450	547 and each month thereafter.					
11a. ALLOCATED PRODUCTION							b. SHIFT BASIS 3-8-5				
0 0 0	0 0 0	0 0 0	0 0 10	30 85 150	225 385 450	500					
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE											b. MSR= 25 (50)
50 65 85	115 115 150	220 300 390	450 500	(50) Is the quantity per month currently being produced.							
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 0 10	30 85 150	225 385 450	500					
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
50 65 85	115 115 150	220 300 390	450 500 547	(50) Is the quantity per month currently being produced.							
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 0 10	30 85 150	225 385 450	547					

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

9. ITEM DESCRIPTION Machine Gun, Cal. .50, M2 Flex. (use M85 Mach. Gun route sheets for machine loading) NSN: 1005-00-726-5636	**8. REFERENCE NUMBER** DRSAR-IRW-R 05-80-0048 50
	8a. UNIT OF MEASURE Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	0 0 0	25 80 125	300 500 703	and each month thereafter.						
11a. ALLOCATED PRODUCTION							**b. SHIFT BASIS** 3-8-5				
0 0 0	0 0 0	0 0 0	0 0 25	40 80 100							
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION							**b. SHIFT BASIS**				
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE										**b. MSR=** 25	
25 40 80	100										
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 0 25	40 80 100							
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
25 75 150	300 500 703										
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 0 25	75 150 300	500 703						

**When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."*

9. ITEM DESCRIPTION

Gun, Spotting, Cal. 150, M8C

NSN: 1005-00-511-9042

8. REFERENCE NUMBER

DRSAR-IRW-R
05-80-0177

9a. UNIT OF MEASURE

Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	16 and each month thereafter.									
11a. ALLOCATED PRODUCTION							b. SHIFT BASIS 3-8-5				
0 0 0	0 0 0	16									
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE											b. MSR= 5 (50)
50 50 50		(50) Is the quantity per month currently being produced.									
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	16									
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

9. ITEM DESCRIPTION	9. REFERENCE NUMBER
Mount, Gun, 105mm, M140A1 (for M60 Series & M48A5 tanks) NSN 1015-00-857-9740	DRSAR-IRW-R 05-80-0201
	9a. UNIT OF MEASURE Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	0 0 0	15 25 35	75 150 260	300	and each month thereafter.					
11a. ALLOCATED PRODUCTION							b. SHIFT BASIS 2-1/2-8-5				
0 0 0	0 0 0	0 0 0	15 25 35	75 150							
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE											b. MSR= 15 (75)
75 75 75	75 75 75	100 150	(75) Is the quantity per month currently being produced.								
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	15 25 35	75 150							
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
75 75 75	75 75 75	100 150 200	250 300	(75) Is the quantity per month currently being produced.							
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	15 25 35	75 150 260	300						

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

200-250/Mo - Acquisition of two metalizing units, four N/C machining centers, two thread mills, one engine lathe, one cylindrical grinder, and one heat treat furnace - $2.86M

250-300/Mo - Acquisition of one metalizing unit, three N/C machining centers, two thread mills, one N/C lathe, and one heat treat furnace - $2.47M

$8.40M

9. ITEM DESCRIPTION

Mount, Gun, 155mm, M178 (was M127) (for M109 Series Howitzers)

8. REFERENCE NUMBER

DRSAR-IRW-R 05-80-0209

10

8a. UNIT OF MEASURE

Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	0 0 0	1 4 8	14 25 40	50 55 60	65 70 75	80 87 100	103	and each month		thereafter
11a. ALLOCATED PRODUCTION							**b. SHIFT BASIS** 2-1/2-8-5				
0 0 0	0 0 0	0 0 0	1 4 8	14 25 40	50						
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION							**b. SHIFT BASIS**				
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE											**b. MSR=** 10 (25)
25 25 25	25 25 40	48 50	(25) Is the quantity per month currently being produced.								
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	1 4 8	14 25 40	50						
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
25 25 25	25 25 40	48 65 80	87 100 103	(25) Is the quantity per month currently being produced.							
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	1 4 8	14 25 40	50 55 60	65 70 75	80 87 100	103			

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

60-70/Mo - Acquisition of one N/C machining center, one N/C horizontal hydro-tel, one thread mill, one horizontal boring mill, one engine lathe, and one hone -	$1.38M
70-87/Mo - Acquisition of two hydro-tels, two N/C machining centers, one thread mill, one horizontal boring mill, one vertical turret lathe, and one N/C lathe -	$2.52M
87-103/Mo - Acquisition of two N/C machining centers, one N/C horizontal hydro-tel, one thread mill, one horizontal boring mill, one N/C lathe, and one hone -	$2.32M
	$7.76M

8. ITEM DESCRIPTION

Mount, Gun, 165mm, M150

NSN: 2350-00-795-1797

9. REFERENCE NUMBER

DRSAR-IRW-R
05-80-0211

9a. UNIT OF MEASURE

Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	0 0 0	2 5 9	and each month thereafter.							
11a. ALLOCATED PRODUCTION							**b. SHIFT BASIS** 24 - 8-5				
0 0 0	0 0 0	0 0 0	2 5 9								
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION							**b. SHIFT BASIS**				
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE										**b. MSR=** 15	
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	2 5 9								
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											

**When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."*

DD FORM 1519, 1 Jul 72 *(PART II)*

9. ITEM DESCRIPTION

Mount, Gun, 8", M174

NSN: 1025-01-863-5613

9. REFERENCE NUMBER

DRSAR-IRW-R
05-80-0214

9a. UNIT OF MEASURE

Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 80											
0 0 0	0 0 0	0 0 5	11 20 31	44 and each month thereafter.							
11a. ALLOCATED PRODUCTION							**b. SHIFT BASIS** 2½-8-5				
0 0 0	0 0 0	0 0 5	11 20								
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
13a. ALLOCATED PRODUCTION							**b. SHIFT BASIS**				
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE											**b. MSR=** 2 (10)
10 10 10	10 10 10	11 20		(10) Is the Quantity per Month Currently Being Produced.							
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 5	11 20								
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
10 10 10	10 10 10	11 20 30	44	(10) Is the Quantity per Month Currently Being Produced.							
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 5	11 20 30	44							

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

200-450/Mo - Acquisition of one forging hammer, two vertical hydro tels, three N/C machining centers, two thread mills, two screw machines, and one surface grinder -	$2.92M
450-703/Mo - Acquisition of two vertical hydro-tels, four N/C machining centers, two thread mills, two copy lathes, one automatic chucker, one screw machine, one surface grinder, and one heat treat furnace -	$3.21M
	$7.38M

DOD INDUSTRIAL PREPAREDNESS PROGRAM **PRODUCTION PLANNING SCHEDULE**	*Form Approved* *OMB No. 22-R0251*

NOTE: Use of the data entered on this form will be limited to duly accredited officials of the Department of Defense who are subject to penalties for unlawful disclosure. The protection given to data relating to your facility under the Espionage Act and other statutes will confine accessibility within the Government to those responsible for procurement, production preparedness planning, and defense of the United States.

Procuring Activity/Customer Plant Data	Industrial Source (Operating Plant) Data
1. NAME AND ADDRESS *(Include ZIP Code)* Commander US Army Armament Materiel Readiness Command ATTN: DRSAR-IRW-R Rock Island, IL 61299	2. NAME AND ADDRESS *(Include ZIP Code)* Martin Marietta Aerospace Baltimore Division 103 Chesapeake Park Plaza Baltimore, MD 21220 PLANT INDEX NUMBER 63778
1a. REPRESENTATIVE AND TELEPHONE NUMBER K. James Autovon: 793-4508 Commercial: 309-794-4508	2a. REPRESENTATIVE AND TELEPHONE NUMBER Mr. James A. Cox Manager - Contracts A/C 301-338-5345
1b. CUSTOMER PLANT ASPPO CODE NO. 802 OFFICE AND ADDRESS DCASMA-Baltimore ATTN: DCRP-GBP Room 200, Hampton Plaza Bldg., 300 E. Joppa Road, Towson, MD 21204	2b. ASPPO CODE NO. OFFICE AND ADDRESS
1c. REPRESENTATIVE AND TELEPHONE NUMBER Bernard C. Roob A/C 301-321-4875 (AV) 444-4875	2c. REPRESENTATIVE AND TELEPHONE NUMBER
1d. THIS SCHEDULE COVERS: ☒ PRIME CONTRACTOR PLANNING ☐ SUBCONTRACTOR PLANNING *(Tier)*	2d. UTN 18-43529-3799-1

ACCEPTANCE BY INDUSTRIAL MANAGEMENT AND BY GOVERNMENT

The signatures below attest that the information contained herein is true and correct in the judgment of the signatories at the time of signature. Further the signatures indicate (1) an awareness of the Government's dependence upon these data as a basis for appropriate and often costly measures to insure the adequacy of the US industrial base; (2) recognition of the Government's intention to convert production planning schedules to contracts by negotiation on a selective basis as may be required to minimize materiel shortages during a future Limited War, and (3) recognition that it is also the Government's intention, consistent with such planned production as may be converted to prime contracts by negotiation, to require that planned subcontract support will be similarly converted to subcontracts. Notwithstanding the foregoing basis for acceptance, the signatures hereon in no way bind the named firm(s) nor the Government in any contractual relationship, nor is acceptance to be construed as an agreement by industry to maintain production capability as indicated herein. The signature of industry does not obligate the named firm to accept a military contract if one is offered nor is the Government obligated to convert production planning schedules to contracts, to contract with the named firm if procurement of the items specified herein is required, or to convert planned subcontract support to subcontracts if the planned production is converted to prime contracts. It is understood, however, that the named firm(s) may be required to accept such a military contract(s) under applicable laws and regulations as may be in effect at the time.

3. PROCURING ACTIVITY OR CUSTOMER PLANT	4. OPERATING PLANT I.P.R.	5. OPERATING PLANT ASPPO	6. EFFECTIVE PERIOD
SIGNATURE AND DATE 6/5/80	SIGNATURE AND DATE 6/18/80	SIGNATURE AND DATE Bernard C. Roob 6/26/80	1 Oct 80 30 Sep 81
1ST RENEWAL *(Signature and date)* 17 Jun 81	1ST RENEWAL *(Signature and date)* 6/29/81	1ST RENEWAL *(Signature and date)* Bernard C. Roob 7/1/81	1 Oct 81 30 Sep 82
7. REFERENCE NUMBER 05-81-W-0209	7a. PREPARED BY KEITH W. JAMES		7b. DATE

9. ITEM DESCRIPTION Mount, Gun, 155mm, M178 (was M127) (for M109A2 Howitzer) NSN: N/AV	8. REFERENCE NUMBER 05-81-W-0209
	9a. UNIT OF MEASURE Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 81											
0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	5 10 15	20 30 40	50 55	and each month thereafter.			
11a. ALLOCATED PRODUCTION							b. SHIFT BASIS 1-8-5				
0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	5 10 15	20 25 25	(BEST EFFORT - SEE NOTES IN BLOCKS 19 AND 20)			
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
N/A											
13a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
N/A											
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE										b. MSR* 20	
20 25 25 AND CONTINUING AT 25 PER MONTH									(SEE NOTES		
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	5 10 15	20 30 40 AND CONTINUING AT 40/MON.		IN BLOCKS		
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
20 25 30	35 40 45	50 53 53 AND CONTINUING AT 53 PER MONTH							19 AND 20)		
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
N/A.											

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

18. ITEMS/SOURCES - SUBCONTRACTOR PLANNING EXTENDED *(Privileged Information)*

Subcontracting will be necessary for some items, but contractor does not desire to extend subcontractor planning until such time actual need is evident or orders placed.

Important - Refer to Block 20!

19. DESCRIPTION OF PREPAREDNESS MEASURE

The following IPE will be required from the Government in order to produce minimum sustaining rate and greater quantities of this equipment will be required for higher production rates.

EQUIPMENT	QTY REQUIRED
N/C LATHE 60" cc	1
Cylindrical Grinder	1
N/C Drill Press	1
N/C Tool Changers	3
Horizontal Boring Mill	1
Cut Off Saw	1
Vertical Hone	1
Automatic Chucker	1
Three Spindle Boring Mill	1

EST $11.84 M
11-12-80

11 pcs = 3,758,670
6.38 M

20. REMARKS

Quantities shown in Blocks 11a, 14a, and 15 are only assured if Government will supply all special tooling and special test equipments. These equipments will have to be in sufficient number so that production quantities in these blocks can be produced on a one shift basis (1-8-5).

Quantities shown in Block 16 (which meets Government needs) can only be attained if Government supplies sufficient additional tools and special test equipment to satisfy needs of additional shifts and personnel (2-8-5).

A new facility (building) will be required from the Government for manufacturing, assembly, and test. The estimated requirement is for 150,000 s.f. at an approximate cost of $9,000,000. This facility must be available prior to any production requirement from the Government.

DOD INDUSTRIAL PREPAREDNESS PROGRAM
PRODUCTION PLANNING SCHEDULE ~~I-80-12-12~~

Form Approved
OMB No. 22-R0251

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I - 81 - 6 - 18

Procuring Activity/Customer Plant Data	Industrial Source (Operating Plant) Data
1. NAME AND ADDRESS *(Include ZIP Code)* Commander US Army Armament Materiel Readi . . . Command ATTN: DRSAR-IRW-R Rock Island, IL 61299	2. NAME AND ADDRESS *(Include ZIP Code)* Maremont Corporation New England Group P.O. Box 111, North Street Saco, ME 04072 PLANT INDEX NUMBER 850356
1a. REPRESENTATIVE AND TELEPHONE NUMBER W. G. Hendricks AUTOVON 793-4508 Commercial 309/794-4508	2a. REPRESENTATIVE AND TELEPHONE NUMBER Mr. E. T. Reardon, Contracts Manager (207) 283-3611
1b. CUSTOMER PLANT ASPPO CODE NO. OFFICE AND ADDRESS DCASMA-Boston ATTN: DCRB-GBPS 666 Summer Street Boston, MA 02210	2b. ASPPO CODE NO. 815 OFFICE AND ADDRESS DCASMA, Boston 666 Summer St C.H. Phipps ASPPO Boston, MA 02210
1c. REPRESENTATIVE AND TELEPHONE NUMBER	2c. REPRESENTATIVE AND TELEPHONE NUMBER
1d. THIS SCHEDULE COVERS: ☒ PRIME CONTRACTOR PLANNING ☐ SUBCONTRACTOR PLANNING *(Tier)*	2d. UTM P/V Code: BISDCRAB Z 19 N 48182 E 3838 RSAC: 12MI

ACCEPTANCE BY INDUSTRIAL MANAGEMENT AND BY GOVERNMENT

The signatures below attest that the information contained herein is true and correct in the judgment of the signatories at the time of signature. Further the signatures indicate (1) an awareness of the Government's dependence upon these data as a basis for appropriate and often costly measures to insure the adequacy of the US industrial base; (2) recognition of the Government's intention to convert production planning schedules to contracts by negotiation on a selective basis as may be required to minimize materiel shortages during a future Limited War, and (3) recognition that it is also the Government's intention, consistent with such planned production as may be converted to prime contracts by negotiation, to require that planned subcontract support will be similarly converted to subcontracts. Notwithstanding the foregoing basis for acceptance, the signatures hereon in no way bind the named firm(s) nor the Government in any contractual relationship, nor is acceptance to be construed as an agreement by industry to maintain production capability as indicated herein. The signature of industry does not obligate the named firm to accept a military contract if one is offered nor is the Government obligated to convert production planning schedules to contracts, to contract with the named firm if procurement of the items specified herein is required, or to convert planned subcontract support to subcontracts if the planned production is converted to prime contracts. It is understood, however, that the named firm(s) may be required to accept such a military contract(s) under applicable laws and regulations as may be in effect at the time.

3. PROCURING ACTIVITY OR CUSTOMER PLANT	4. OPERATING PLANT I.P.R.	5. OPERATING PLANT ASPPO	6. EFFECTIVE PERIOD
SIGNATURE AND DATE 5 Dec 80 Richard R. Ohrberg RICHARD R. OHRBERG	SIGNATURE AND DATE E. T. Reardon 5/20/81	SIGNATURE AND DATE 6/10/81 Charles W. Phipps	31 Sep 80 1 Oct 81
1ST RENEWAL *(Signature and date)* Richard R. Ohrberg 19 JUN 81	1ST RENEWAL *(Signature and date)* H. P. Sargent 8/19/81	1ST RENEWAL *(Signature and date)* Charles W. Phipps 8/19/81	1 Oct 81 30 Sep 82
REFERENCE NUMBER Attached Sheet	7a. PREPARED BY W. G. Hendricks		7b. DATE 5 Dec 80

8. ITEM DESCRIPTION

Machine Gun, Cal. 50, M2 FLEX
(~~Vehicle MTD~~) All TYPES
P/N: 7265636
NSN: 1005-00-726-5636
(Does not include an extra barrel which is only supplied for FMS).

Maremont Item #1600

9. REFERENCE NUMBER

0056
05-81-W-~~0048~~

9a. UNIT OF MEASURE

Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 81											
0 0 0	0 0 0	0 0 100	200 400 600	1000 1500 2000	and each month thereafter.						
11a. ALLOCATED PRODUCTION (Warm Base - 42032)							b. SHIFT BASIS 3/8/6				
0 0 0	0 0 0	0 0 100	200 400 600	750 800 800	850 850 900	900 1150 1350	1550 1800 1900	2000	Sustained		
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
N/A											
13a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
N/A											
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE 3/8/6										b. MSR* 150	
150 200 250	300 350 400	450 500 550	600 650 700	750 800 800	850 850 900	900 1150 1350	1550 1800 1900	2000	Sustained See Notes		
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE 3/8/6											
0 0 0	0 0 0	0 0 0	0 0 0	200 300 400	500 600 750	900 1150 1350	1550 1800 1900	2000	Sustained See Notes		
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
N/A											
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
Note: - In House N/A											

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

. ITEMS/SOURCES - SUBCONTRACTOR PLANNING EXTENDED *(Privileged Information)* See comments and plan on attachment and for additional information see mobilization study report under contract DAAA09-73-C-0005-0009.
. DESCRIPTION OF PREPAREDNESS MEASURE See comments and plan on attachment. And also mobilization study report under contract DAAA09-73-C-0005-0009.
. REMARKS uantities shown in blocks 11a, 14a, 15, 16 and 17 are to be based on current obilization production with other planned items, including other government ctivities and commercial work. See comments and plan on attachment. And also mobilization study report under contract DAAA09-73-C-0005-0009.

MOBILIZATION PLAN TO REALIZE SUSTAINED MAX GUN LEVEL OF 2000/MO. PLUS PLANNED SPARES

1. Subcontract 100% of components and sub assys, except for: Receiver Assy (P/N 6535480, Item 1798); Barrel Assy (P/N 7266131, Item 733); Bolt Assy (P/N 6528322, Item 1604); Extension Assy Barrel (P/N 5504082, Item 1705); Buffer Recoil (P/N 7266821, Item 1627). Possibly up to 50% these major assys would be subcontracted to other sources including Maremont U.S. plants to satisfy sustained MOB level, except Barrel Assy.

2. With existing metalworking equipment, available plant area, manning of facilities on a 3 shift 6/day/wk basis, the current make/buy plan would provide for an output of 600-750 finished M2 Machine Guns per month, taking into account concurrent mobilization production of other planned items (M60 M.G., M60D, M60E2 with spares plus 20MM & 30MM Barrels for USAF). From a minimum sustaining rate of 150 guns/mo. (warm base) this level could be reached by M+ 17/18.

3. To raise output by an additional 1400 guns/mo. (to reach a sustained max level of 2000 guns/mo.) would involve adopting a new M/B plan whereby virtually all detail parts & sub-assys would be obtained outside as finished items, except for the key major assemblies described in par 1. Inspection of detail parts & sub assys, performing final assy, firing tests, & packaging would be done in-house.

   Input from the expanded sub ¢ base would start to appear by M+ 18 & thereafter accelerate to sustain a 2000 gun level (plus the concurrent spare items) by M+ 25.

4. Chrome plate tankage capacity for the M2 Barrel would require expansion-for which area could be made available & suitably equipped in house.

   Firing range would require modest physical expansion beyond its present 3 shift limit of 1800 guns per month (6 days/wk).

   In house heat treat capacity would be unable to meet or sustain a 2000 plus level for the 5 major items to be retained & made in house concurrent with other planned items-which includes M60 production. Thus, it is estimated up to 50% of required heat treat capacity would be obtained thru local subcontract services.

5. To provide for expanded sub ¢ (incl 2nd or 3rd sources in some instances) for increased output after M+ 17/18, it would be necessary for the additional suppliers to produce & proof additional & new tooling. This factor is included in the lead time-to establish additional sources & acquire tooling which would continue for minor operations up to approx. M+ 22 after which sufficient tooling would be available to sustain the 2000 + gun level. Tooling designs are available except for those that might require revision or replacement for operations & methods peculiar to a vendors equipment.

6. The foregoing mobilization plan is predicated on max use of existing equipment, facilities, and plant area at max manning level for 3 shifts, 6 days per week for concurrent production of all planned end items, incl. support from other Maremont facilities in the U.S. and augmented subcontracting efforts.

7. Cold base lead time could be shortened by selective stockpiling of certain materials, cast & forged shapes, stampings & finished components and/or sub assys.

8. Equipment presently assigned to PEP0561 for M2 M.G. production with its special tooling & final gages plus company owned equipment, facilities, tools & in process gages would be required to manufacture the end item.

9. The M2 Machine Gun Assy contains approx. 240 detail parts of which 56 are now made in house and 184 made/purchased outside. Of the latter 45 parts go into some 5 sub assys produced by subs. Maremont makes some 31 assys incorporating some 195 detail parts, 139 of them made.purchased outside. Excluding basic raw material items (steel) procured from a variety of mill & warehouse suppliers, and standard commercial MS hardware, there are a total of 41 items made from precision castings (12), shell castings (9), forgings (9), stampings (10), blanks (1).

DOD INDUSTRIAL PREPAREDNESS PROGRAM
PRODUCTION PLANNING SCHEDULE

Form Approved
OMB No. 22-R0251

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Procuring Activity/Customer Plant Data	Industrial Source (Operating Plant) Data
1. NAME AND ADDRESS *(Include ZIP Code)* Commander US Army ARmament Materiel Readiness Command ATTN: DRSAR-IRW-R Rock Island, IL 61299	2. NAME AND ADDRESS *(Include ZIP Code)* Chrysler Defense, Inc. Detroit Arsenal Warren, MI PLANT INDEX NUMBER
1a. REPRESENTATIVE AND TELEPHONE NUMBER K. W. James, DRSAR-IRW-R AUTOVON 793-4508 Commercial 794-4508	2a. REPRESENTATIVE AND TELEPHONE NUMBER W. L. Dewey (313) 977-4058
1b. CUSTOMER PLANT ASPPO CODE NO. 062 OFFICE AND ADDRESS Commander US Army Tank Automotive Materiel Readiness Command ATTN: DRSTA-ICC Warren, MI 48090	2b. ASPPO CODE NO. OFFICE AND ADDRESS
1c. REPRESENTATIVE AND TELEPHONE NUMBER	2c. REPRESENTATIVE AND TELEPHONE NUMBER
1d. THIS SCHEDULE COVERS: ☒ PRIME CONTRACTOR PLANNING ☐ SUBCONTRACTOR PLANNING *(Tier)*	2d. UTM

ACCEPTANCE BY INDUSTRIAL MANAGEMENT AND BY GOVERNMENT

The signatures below attest that the information contained herein is true and correct in the judgment of the signatories at the time of signature. Further the signatures indicate (1) an awareness of the Government's dependence upon these data as a basis for appropriate and often costly measures to insure the adequacy of the US industrial base; (2) recognition of the Government's intention to convert production planning schedules to contracts by negotiation on a selective basis as may be required to minimize materiel shortages during a future Limited War, and (3) recognition that it is also the Government's intention, consistent with such planned production as may be converted to prime contracts by negotiation, to require that planned subcontract support will be similarly converted to subcontracts. Notwithstanding the foregoing basis for acceptance, the signatures hereon in no way bind the named firm(s) nor the Government in any contractual relationship, nor is acceptance to be construed as an agreement by industry to maintain production capability as indicated herein. The signature of industry does not obligate the named firm to accept a military contract if one is offered nor is the Government obligated to convert production planning schedules to contracts, to contract with the named firm if procurement of the items specified herein is required, or to convert planned subcontract support to subcontracts if the planned production is converted to prime contracts. It is understood, however, that the named firm(s) may be required to accept such a military contract(s) under applicable laws and regulations as may be in effect at the time.

3. PROCURING ACTIVITY OR CUSTOMER PLANT	4. OPERATING PLANT I.P.R.	5. OPERATING PLANT ASPPO	6. EFFECTIVE PERIOD
SIGNATURE AND DATE Richard R Ohling 16 Oct 80	SIGNATURE AND DATE W. L. DEWEY	SIGNATURE AND DATE	1 Oct 80 30 Sep 81
1ST RENEWAL *(Signature and date)*	1ST RENEWAL *(Signature and date)*	1ST RENEWAL *(Signature and date)*	

7. REFERENCE NUMBER	7a. PREPARED BY	7b. DATE
05-81-W-0207	Keith James	16 Oct 80

9. ITEM DESCRIPTION Mount, Gun, 105mm, M140 (for M60 Series and M48A5 Tanks)	8. REFERENCE NUMBER DRSAR-IRW-R 05-81-W-0207
	9a. UNIT OF MEASURE Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 81											
0 0 0	0 0 0	0 0 0	15 25 35	75 100 100	and each month thereafter						
11a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
	SEE REMARKS ITEM 20										
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY											
	N/A										
13a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
	N/A										
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE										b. MSR=	
	SAME AS BLOCK 11										
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
	SAME AS BLOCK 11										
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
0 0 0	0 0 0	0 0 0	0 0 0	0 5 10	15 20 25	30 35 40	40 40 40	AND EACH MONTH THEREAFTER			
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
	SAME AS BLOCK 16										

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

DOD INDUSTRIAL PREPAREDNESS PROGRAM **PRODUCTION PLANNING SCHEDULE**	*Form Approved* *OMB No. 22-R0251*

NOTE: Use of the data entered on this form will be limited to duly accredited officials of the Department of Defense who are subject to penalties for unlawful disclosure. The protection given to data relating to your facility under the Espionage Act and other statutes will confine accessibility within the Government to those responsible for procurement, production preparedness planning, and defense of the United States.

Procuring Activity/Customer Plant Data	Industrial Source (Operating Plant) Data
1. NAME AND ADDRESS *(Include ZIP Code)* Commander US Army Armament Materiel Readiness Command ATTN: DRSAR-IRW-R Rock Island, IL 61299	2. NAME AND ADDRESS *(Include ZIP Code)* General Dynamics Land Systems Division 6000 17 Mile Road Sterling Heights, MI 48078 PLANT INDEX NUMBER 995179 ~~and 995308~~
1a. REPRESENTATIVE AND TELEPHONE NUMBER Mr. Rick Soltau AV 793-4508/3635 C 309-794-4508/3635	2a. REPRESENTATIVE AND TELEPHONE NUMBER
1b. CUSTOMER PLANT ASPPO CODE NO. C62 OFFICE AND ADDRESS Commander US Army Automotive Matl Rdns Command ATTN: DRSTA-ICC/Mr. Jay Willis Warren, MI 48090 TELEPHONE NUMBER AV 786-7307	2b. ASPPO CODE NO. OFFICE AND ADDRESS 2c. REPRESENTATIVE AND TELEPHONE NUMBER
1d. THIS SCHEDULE COVERS: ☒ PRIME CONTRACTOR PLANNING ☐ SUBCONTRACTOR PLANNING *(Tier)*	2d. UTM: 16-45116-7446 RASC: 0006-25414 NC: BISANNCB

ACCEPTANCE BY INDUSTRIAL MANAGEMENT AND BY GOVERNMENT

The signatures below attest that the information contained herein is true and correct in the judgment of the signatories at the time of signature. Further the signatures indicate (1) an awareness of the Government's dependence upon these data as a basis for appropriate and often costly measures to insure the adequacy of the US industrial base; (2) recognition of the Government's intention to convert production planning schedules to contracts by negotiation on a selective basis as may be required to minimize materiel shortages during a future Limited War, and (3) recognition that it is also the Government's intention, consistent with such planned production as may be converted to prime contracts by negotiation, to require that planned subcontract support will be similarly converted to subcontracts. Notwithstanding the foregoing basis for acceptance, the signatures hereon in no way bind the named firm(s) nor the Government in any contractual relationship, nor is acceptance to be construed as an agreement by industry to maintain production capability as indicated herein. The signature of industry does not obligate the named firm to accept a military contract if one is offered nor is the Government obligated to convert production planning schedules to contracts, to contract with the named firm if procurement of the items specified herein is required, or to convert planned subcontract support to subcontracts if the planned production is converted to prime contracts. It is understood, however, that the named firm(s) may be required to accept such a military contract(s) under applicable laws and regulations as may be in effect at the time.

3. PROCURING ACTIVITY OR CUSTOMER PLANT	4. OPERATING PLANT I.P.R.	5. OPERATING PLANT ASPPO	6. EFFECTIVE PERIOD
SIGNATURE AND DATE 1 SEP 82	SIGNATURE AND DATE 2/7/83	SIGNATURE AND DATE 7FEB83	1 Oct 82 30 Sep 84
1ST RENEWAL *(Signature and date)*	1ST RENEWAL *(Signature and date)*	1ST RENEWAL *(Signature and date)*	

7. REFERENCE NUMBER 05-83-W-0207-0208	7a. PREPARED BY Mr. Rick Soltau DRSAR-IRW-R	7b. DATE

9. ITEM DESCRIPTION

Mount, Gun, 105mm, M140A1 (for M60 Series, M485 Tanks)
NSN: 1015-00-857-9740

8. REFERENCE NUMBER

05-83-W-0207

8a. UNIT OF MEASURE

Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 83											
	235 235 235 and each month thereafter										
11a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
N.A.		SEE REMARKS ITEM 19 PAGE 3									
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 84											
	235 235 235 and each month thereafter										
13a. ALLOCATED PRODUCTION							b. SHIFT BASIS				
N.A.			SAME	AS	11a						
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE										b. MSR=	
N.A.			SAME	AS	11a						
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
N.A.			SAME	AS	11a						
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
N.A.			SAME	AS	11a						
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
0 0 0	0 0 0	0 0 0	0 0 0	0 5 10	15 20 25	35 45 55	80 100 120	140 160 190	215 235 235	235 235 235	

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

9. ITEM DESCRIPTION Mount, Gun, 105mm, M68 (For M1 Abrams Tank) P/N: 12274292 NSN: N/AV	**8. REFERENCE NUMBER** 05-83-W-0208
	9a. UNIT OF MEASURE Each

MONTHLY SCHEDULES

M+1 2 3	4 5 6	7 8 9	10 11 12	13 14 15	16 17 18	19 20 21	22 23 24	25 26 27	28 29 30	31 32 33	34 35 36
10. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 83											
	586 586 586	and each month thereafter									
11a. ALLOCATED PRODUCTION							**b. SHIFT BASIS** 3-8-5				
60 60 60	60 70 80	80 80 80		SUSTAIN							
12. REQUIRED DELIVERY SHOULD M-DAY OCCUR DURING FY 84											
	586 586 586	and each month thereafter									
13a. ALLOCATED PRODUCTION							**b. SHIFT BASIS** 3-8-5				
60 60 60	60 70 80	80 80 80		SUSTAIN							
14a. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM MINIMUM SUSTAINING RATE										**b. MSR=** 60	
60 60 60	60 70 80	80 80 80		SUSTAIN							
15. *MAXIMUM ATTAINABLE WITH EXISTING FACILITIES FROM COLD BASE											
N.A.											
16. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM MSR											
60 60 60	60 70 80	80 80 80	80 80 80	80 85 90	95 100 105	115 125 135	140 160 180	200 220 250	300 360 390	390 390 390	390 390 390
17. *MAXIMUM ATTAINABLE WITH INDUSTRIAL PREPAREDNESS MEASURES FROM COLD BASE											
N.A.											

*When completion of items 14 through 17 is not desired, Procuring/Requesting activities will so indicate by entering "N/A."

QUESTION: It has been stated that John Deere, Caterpillar Tractor and Pacific Car and Foundry have declined to enter into mobilization agreements. How does this affect the work at Rock Island and how does this affect the mobilization capabilities of the nation? Please provide for the record a report outlining the reasons these companies failed to sign mobilization agreements.

ANSWER: In response to solicitations for mobilization planned producers made by Armament Material Readiness Command, John Deere declined informally and Caterpillar Tractor declined by letter to sign planning agreements as mobilization producers. John Deere stated that they would rather provide other military vehicles for the Army. Caterpillar stated that they were more interested in planning for transmissions and engines rather than combat vehicles. Pacific Car and Foundry stated that they are interested in planning for combat vehicles but without gun mounts. The effect of this limited response by industry has placed greater emphasis on improving the surge capacity for mobilization at Rock Island Arsenal.

QUESTION: Presently 50 percent of Rock Island's work is associated with foreign military sales. Will any construction costs be reduced by payments from foreign military sales accounts?

ANSWER: Foreign Military Sales (FMS) payments are not directly figured into the cost of new construction. Foreign Military Sales customers pay their fair share of Arsenal direct and indirect costs for facilities maintenance and depreciation of equipment. In fact, they have paid $44 million of fiscal costs at Rock Island in the last five years (FY 78-FY82). In addition, FMS programs add substantially to the readiness of US forces by allowing for an expanded use of the industrial base. Further, the cost of US production is offset because FMS pays for much of the fixed costs, thus giving US forces more hardware for each dollar spent. Therefore, FMS gives the US a favorable economic base during peacetime by keeping customer rate charges lower.

Fort Riley - REFORGER Units

QUESTION: $96 Million is requested for Fort Riley, Kansas. No funds were provided for Fort Riley in 1983 and only $5 Million in FY 1982. What is the reason for such a large 1984 request?

ANSWER: The dollars requested for 1984 are a result of systems and organizational modernization of the 1st Infantry Div (Mech). Delivery of the M1 tank and Bradley Fighting Vehicle (M2/M3) are the principal driving factors. A multi-purpose training range for $31 Million, will support the training requirements of the new fighting vehicles, that cannot be met with the existing antiquated ranges. The cost associated with conversion to Division 86 design is $33.7 million. The Cavalry Brigade (Air Attack) is formed as the M3 is fielded to the Cavalry Squadron and frees manpower for this conversion. A Forward Support Battalion is raised to full wartime requirements to support the M1 and M2/M3 adequately. Changes in the number of companies, manning levels and motor park requirements of tank and mechanized infantry battalions also generate facilities requirements.

QUESTION: What is the five year construction plan for Fort Riley?

ANSWER: While the Army has plans for future military construction projects, there does not exist at this time a definitive breakout by dollar amount for each specific program year requested. Future project requirements currently known include:

Category Code	Description	$ Million (Rounded)
171	Battalion Headquarters and Classroom	2.5
171	Battalion Headquarters and Classroom	1.2
171	Battalion Headquarters and Classroom	1.2
179	IRETS	3.8
214	Tactical Equipment Shop	4.6
214	Tactical Equipment Shop	10.6
214	Tactical Equipment Shop	10.8
214	Tactical Equipment Shop	10.5
214	Tactical Equipment Shop	2.9
214	Tactical Equipment Shop	6.9
214	Hardstand	1.2
214	Tactical Equipment Shop	1.2
422	Ammunition Storage	3.4
723	Company Administration and Supply	2.1
723	Company Administration and Supply	1.6
800	Controls-ECIP	.9
800	Insulate Buildings	.3
800	Light Fixtures-ECIP	.4
	TOTAL (Rounded)	66.1

Projects planned in the next three years total $148,884,000.

QUESTION: Are any other locations with units designated as REFORGER units which will require military construction? If so, what is programmed?

ANSWER: There are no military construction requirements specifically identified with the REFORGER mission.

QUESTION: Describe the REFORGER requirements which necessitate new military construction. How do the military construction requirements relate to the readiness levels of REFORGER units?

ANSWER: There are no military construction requirements related to REFORGER. Therefore, there are no associated readiness impacts on REFORGER units.

QUESTION: Explain the REFORGER mission.

ANSWER: REFORGER is an acronym standing for "Return of Forces to Germany." It originated from the Tripartite Agreements in 1967 signed by Germany, Great Britain, and the United States.

- The agreement provided for a mutually agreed reduction in force with the provision of an annual return of forces to Germany.
- The upcoming REFORGER 83, 15th in the series, will continue to comply with the Tripartite Agreement.

QUESTION: $357 million is requested for Europe. What percentage of the Army budget does that represent?

ANSWER: The $357 million for Europe is 26.0% of the total Army military construction budget.

QUESTION: Provide for the record a table outlining the amount and and percentage of the total Army budget which was for projects in Europe for each of the past five fiscal years.

ANSWER: The table for major MCA projects in Europe is:($ MIL)

FY	79	80	81	82	83
Europe	196	109	200	291	252
Percentage of total MCA Program	27.5	15.0	23.3	30.8	27.1

QUESTION: Provide a similar table outlining what is programmed in the next five years.

ANSWER: The FY 89 program is not yet final. The total MCA program (estimated) for Europe in the next 4 years is shown below ($ million):

	85	86	87	88
Europe	620	730	740	850
Percentage of Army MCA	24.6	24.2	22.3	25.5

The totals shown for the years 85-88 are taken from the five year defense program supporting the President's Budget. The Army is developing its 85-89 five year programs the results of which will change the number shown for the years 85-88. Similarily the program will be adjusted during each succeeding update cycle.

QUESTION: What is included in the FY 1984 request for locations identified in the Master Restationing Plan?

ANSWER: There are no projects in the Army's FY 84 program for the Master Restationing Plan. However, there is a project for family housing at Wildflecken to reduce the deficit and improve the living conditions for soldiers and their families assigned to this rural area of Germany.

QUESTION: Some military observers have questioned the need to restation U. S. troops closer to the West German border. Others point to the difficulties in securing German support for MRP. Is the Army reconsidering the Master Restationing Plan?

ANSWER: No. The costs are considerable, but we judge the benefits to far outwiegh the costs.

QUESTION: General, Kroesen, Commander of the U. S. Army in Europe, was recently quoted as saying, "We can defend the borders of Western Europe with what we have. I have never asked for a larger force." In view of the General's apparent confidence in the current force, is the execution of the Master Restationing Plan necessary?

ANSWER: Yes. We must use technology, tactics, stationing and other unquantifiable factors to enhance deterrence and to overcome numerical inferiority. Modernization accomplishes those ends. We must build to modernize because there are presently insufficient facilities in Europe to accommodate new equipment and new units. Therefore, it makes sense to build where the greates benefits accrue, that is, at Master Restationing Plan sites.

QUESTION: Are there any funds in this budget for construction of two additional POMCUS sites in Europe?

ANSWER: There are not any funds in the Army's FY 84 construction budget for two additional POMCUS sites in Europe.

QUESTION: What is the status of construction of these sites? What is the percentage of completion?

ANSWER: The status of construction of facilities for the storage of POMCUS equipment for Division sets 5 and 6 is shown below:

	Set 5	
Site	Status	% complete
Zutendall, BE	Under construction	43%
Grobbendonk, BE	Under construction	42%
Hendrik NL	Under construction	33%
	Set 6	
Site	Status	% complete
Almelo NL	Under construction	3%
Tel Apel NL	Under contract, work started week of 21 Mar 83	0.01%
Coevorden NL	Design complete, scheduled to start Jul 83	0%

QUESTION: Are the Governments of Belgium and the Netherlands paying the entire costs of these POMCUS facilities or is the cost being shared by NATO?

ANSWER: The cost of construction is being borne by the NATO Infrastructure program under which Belgium contributes 5.59% and the Netherlands 5.14% of every NATO project, including POMCUS storage facilities. The Governments of Belgium and the Netherlands have spent approximately $7.3 million and $40 million, respectively, to provide land utilities to the sites and to upgrade rail and road lines of communications.

QUESTION: What is the cost of these two facilities in American dollars?

ANSWER: The costs of the storage sites at current exchange rates is shown below:

Site		CWE ($000)
Zutendall BE		32,924
Grobbendark BE		20,357
Hendrick NL		30,377
	Total Set 5	83,658
Almelo NL		23,759
Ter Apel NL		26,905
Coevorden NL		24,350
	Total Set 6	75,014

Pershing Missile

QUESTION: What is the status of construction at Pershing Missile sites in Europe? When will each site be completed?

ANSWER: No major MCA projects supporting Pershing are programed or under construction. There are three projects funded by NATO for maintenance facilities. Those projects are not required to meet IOC, but will provide adequate maintenance facilities for US Pershing units. They are expected to be complete by the end of 1985.

QUESTION: Are any sites behind schedule?
ANSWER: No.

QUESTION: Are any additional MCA requirements currently programed for the Pershing in Europe?
ANSWER: No. There are no additional major MCA requirements currently programed for Pershing in Europe?

QUESTION: If the current negotiations result in a reduced deployment, what will be programed for the newly constructed Pershing sites?
ANSWER: There are no newly constructed Pershing sites, NATO has funded three projects for Pershing units which, when complete in 1985, will provide better maintenance facilities for Pershing units. Those facilities are equally suitable for Pershing I.

Division 86

QUESTION: Does Division 86 envision an increase in the number of Troops per division?
ANSWER: The wartime troop strength requirements for the Division 86 (J edition) TOEs, with systems to be fielded by 1988 included is the same as the H edition (ROAD) TOEs without new systems and approximately 1000 spaces smaller than the H edition TOEs would have been with modern systems.

The current division's units are each manned at a reduced strength creating "hollowness". When units convert fully to the new designs they will be manned at full wartime requirements, manpower constraints being satisfied by placing whole units rather than individuals into the reserve components. When fully converted to the new designs with modernized equipment, the divisions will be authorized between 200 and 1000 additional persons depending upon the number of roundout spaces in that particular division.

QUESTION: Will this increase in troop strength mean an increase in total combat strength or are the increases in support personnel?
ANSWER: The Division 86 designs are balanced designs with appropriate changes being made in both combat and support personnel. Combat capabilities of maneuver, and artillery battalions increased, and administrative and logistic personnel functional transfers are made within the division.

QUESTION: Division 86 will increase total firepower, for instance tank strength per battalion will be 58 compared to 54 under the current organizational scheme. In what other ways will Division 86 increase combat strength and firepower?
ANSWER: Per the Division 86 design, the number of rifle companies in a division increases by one in armor divisions, and two in mechanized infantry divisions. This is accomplished by increaseing the number of rifle companies per battalion from 3 to 4, while

reducing the number of battalion headquarters by one. The number of 155mm howitzers increases from 6 howitzers to 8 howitzers per battery, giving the batteries the capability to split into two sections, while one fires, the other moves thus increasing the batteries survivability. A Multi Launch Rocket System (MLRS) battery is included in the Division. A third air defense artillery gun battery of 12 guns has been added, this allows a gun/(man portable air defense system) battery to be placed in direct support of each brigade.

QUESTION: In your statement you indicate that Division 86 requires revisions to your Facilities Master Plan. In what specific ways does the FY 1984-88 POM reflect changes to accommodate Division 86 that were not programed in the FY 1983-87 POM?

ANSWER: Division 86 designs were approved conceptually in August 1980. During the development period of POM 1983-87 the design concepts were undergoing analysis to determine conversion timing and initial related costs. Hence, POM 1983-87 reflected only the fact that designs were approved in concept, and that analysis was ongoing to develop costs related to conversion to the new designs.

The FY 1984-88 POM reflects the Army program to convert 10 active heavy divisions and their roundout units, heavy brigades, and 3 active Armored Cavalry Regiments to new Army 86 designs.

QUESTION: What are the estimated total costs of implementing Division 86?

ANSWER: Because Division 86 looks at the sum total of the Army's modernization program, it is difficult to separate those costs which are related strictly to the new force designs. The Army has identified as Division 86 cost, those costs related to design changes, changes in manning levels and previously unrecognized costs which have become evident, for ten heavy divisions, two heavy brigades, and three armored cavalry regiments. These costs include operations and support costs for support items of equipment not required by any one system but by the net effort of several; cost to operate more companies; and facilities required to meet existing shortages, for modernization of organizations and to take care of the effects of multiple systems on an organization (e.g., one system may require two mechanics with new or different skills; this number would not create a demand for facilities). Division 86 has let us forecast and program for the combined effect of many such systems as well as organizational changes.

The costs identified as Division 86 costs in POM FY 1984-88 are $1,703 Million of which $1,147.5 Million is for military construction. These costs cannot be taken in isolation from the rest of the Army's program; since there are other interrelated actions which are also related to divisional forces, such as, systems changes, force structure changes, and subsumption of existing programs or deficiencies.

QUESTION: For each year in the next five years, provide for the record a table outlining what is programed to implement Division 86.

ANSWER: The table below lists the Division 86 costs from FYDP that support this FY 84 budget submission.

84	85	86	87	88
[Deleted.]	[Deleted.]	[Deleted.]	[Deleted.]	[Deleted.]

The costs, over time, are a direct reflection of gradual increases of manpower to full wartime manning, correction of current facility deficiencies as well as new force design generated requirements, the cost to operate and maintain previous years' construction, and the cost to sustain and operate materiel which is not separately funded as a modernization item.

Air Land Battle - Deep Strike

QUESTION: The Division 86 restructuring is being driven in large part by the new battlefield doctrine of the Army--the AirLand Battle. Explain how this doctrine differs from the previous doctrine of attrition.

ANSWER: Let me first note that our previous doctrine was not a doctrine of attrition. It's theme was to "fight outnumbered and win", which cannot be accomplished thru a doctrine of attrition warfare. The previous doctrine stressed firepower rather than maneuver, as opposed to the AirLand Battle which restores a better blend of these two aspects.

In addition to the additional emphasis on maneuver, the AirLand Battle differs from our former doctrine in several areas:

- It has a new emphasis on the offensive spirit and the need to gain and retain the initiative.
- It introduces a new level, called operational art, for describing the conduct of military operations that fall between the tactical and strategic levels.
- It describes the battle as a single, coordinated effort that extends from our own rear area into the enemy's rear area.
- It stresses the integration of all assets into the battle, both Army and other Service.
- It provides greater emphasis on the human dimension of warfare.

I want to stress that the AirLand Battle is not a revolutionary change in our warfighting concept. It is a logical and evolutionary progression in the Army's doctrine. When combined with our equipment modernization and Army 86 restructuring, it provides the most effective basis for our forces to fight a war on the modern battlefield.

QUESTION: Provide for the record a description of all military construction associated with implementing AirLand Battle in the FY84 request. Please include those items which may appear in the budget of another branch.

ANSWER: There is no military construction programmed for AirLand Battle. AirLand Battle is the Army's doctrine that provides the guidelines on how we will fight in future conflicts. It identifies what the Army should do and how it should be done to succeed on the battlefield. As with all doctrine, there are no equipment and facilities programmed for it. Systems are developed and organizations modified in order to support and enhance doctrine execution. Division 86 is an example of such an organizational change. The M-1 Tank, AH-64 (Apache), PATRIOT antiaircraft missile system and Sgt York Division Air Defense Gun (DIVAD) are examples of systems that have been developed to better meet the demands of the AirLand Battle Doctrine. It is changing organizational structure and new systems, and not the doctrine for their employment, that generate requirements for new facilities.

QUESTION: What is programmed in the total military construction budget in the next five fiscal years to implement AirLand Battle, excluding the Division 86 requirements of the Army? Please include the programs for any other branch associated with the new doctrine.

ANSWER: There is no military construction programed.

QUESTION: AirLand Battle has been criticized as being too expensive. Some say the cost of the Army modernization and associated battlefield improvements such as the Pave Mover radar or the Assault Breaker Missile will be very costly. The NATO Commander, General Rogers, recently stated that implementing the new doctrine with the new weapon systems required will require a four percent real growth in NATO countries' defense budgets. This is considerably higher than the recent NATO rate of increase. In view of the large costs of implementing AirLand Battle, what assurance do we have that our NATO allies will provide their share of the modernization?

ANSWER: The question, as stated, reveals two misconceptions which should first be corrected. The question implies that the Assault Breaker Missile is required for the successful implementation of AirLand Battle doctrine. This is incorrect. While this missile would contribute to the successful implementation of AirLand Battle doctrine, it is not essential. The more general point is that this doctrine can be implemented today with current systems. The new systems now being developed and acquired will increase the capability of US forces to execute the doctrine to its full potential.

The second misconception is the association made between the four percent real growth increase in defense budgets and the AirLand Battle. General Rogers has stated that a four percent real growth increase in national defense expenditure of NATO countries is needed during the period 1983-1988 so that the Alliance's conventional war-fighting capability can be sufficiently improved to meet the Warsaw Pact threat. The four percent real growth is therefore related to AirLand Battle doctrine but not directly associated to it as the question implies.

The main thrust of the question concerns assurances that the NATO allies will provide their share of the modernization. The NATO allies have never been formally asked to make and have never volunteered a commitment to a four percent real growth. This figure represents a challenge to the NATO allies in the NATO force proposals rather than a formally agreed upon goal. The commitment they did make in 1977, which still remains, was to aim for a three percent real annual growth rate. The record of the Alliance, which as a whole from 1979 to 1981 has failed to fully meet this goal, is thoroughly documented in the Secretary of Defense's Report on Allied Contributions to the Common Defense.

QUESTION: In view of the Air Land Battle doctrine of taking the battlefield to the aggressor's second echelon behind his lines, is the Master Restationing Plan still considered a priority? Why?

ANSWER: The Master Restationing Plan is still a priority because we must use technology, tactics, stationing, and other unquantifiable factors to enhance deterrence and to overcome numerical inferiority. Modernization accomplishes those purposes. We must build to modernize because there are presently insufficient facilities in Europe to accommodate new equipment and new units. Since we must build to modernize, it makes sense to build where the greatest benefits accrue, that is, at Master Restationing Plan sites.

AIRLAND BATTLE

QUESTION: AirLand Battle and its "Deep Strike" concepts have been criticized because of the new roles and missions that it defines for the services. For instance, Under Secretary De Lauer recently pointed out that "The Army might have to take out Warsaw Pact airfields; the Air Force might have to provide targets for the Army." This indicates substantial restructuring of some traditional roles of the Army and Air Force. What efforts have been undertaken to assure sufficient cooperation among the branches to assure implementation and execution of the AirLand Battle?

ANSWER: As of 20 August 1982, AirLand Battle, as expressed in FM 100-5, is the Army's operational doctrine. The changes and shifts in emphasis from the previous FM 100-5 are fast becoming the way in which the Army will execute it missions.

With respect to how the Army and other Services are coordinating, the Army and the Air Force are very close to formalizing the US Air Force's support for AirLand Battle. The doctrine does not involve the restructuring of traditional Service roles and missions,but does require an increased emphasis on coordinating the concept of "one battle"; deep, close, rear, land and air. We have been working closely with the Air Force to clarify our interpretations and strengthen our joint initiatives. Within the JCS, the Army is working with the other Services in programs to develop joint doctrine and to establish the means to coordinate development of tactics, techniques and procedures for new technologies. Recent OJCS actions will also establish USCINCRED as a coordinator of joint doctrine for interdiction and USCINCEUR as a developer of joint doctrine for attack of second echelon forces.

Our Training and Doctrine Command has presented briefings on AirLand Battle to key personnel of all the Services and within OSD. We will continue our efforts to coordinate AirLand Battle with the other Services.

The Army's R&D and procurement cycle is responding to these shifts in emphasis by reorienting on the development and acquisition of those systems that support, or enable us to better execute, the AirLand Battle Doctrine. We have new emphasis on systems to maneuver, see deep, attack deep and command and control the battle. We have also begun to work with the USAF, early in the POM cycle, to coordinate the development of our Service POMs.

QUESTION: The latest edition of Defense Week reports that the Secretary of Defense has approved an updated Defense Guidance. Defense Week quotes from the guidance that the Secretary calls for [deleted]

[deleted]. What Military Construction requirements will be programmed by the Army in support of the Defense Guidance in the next five years?

ANSWER: There are no current C3 infrastructure military construction requirements programmed in Southwest Asia in the next five years. Programming will take place when validated requirements are identified.

QUESTION: You are requesting $41 million for construction at Ras Banas. What is programmed by the Army over the next five years at Ras Banas?

ANSWER: The Army has programmed $157 million over the next five years at Ras Banas.

Ras Banas and RDF

QUESTION: Are any other funds requested in 1984 in support of the Rapid Deployment Force?

ANSWER: Our programs for Southwest Asia should be viewed as an integral part of a larger effort aimed at revitalizing our overall worldwide rapid-response capability. We can, however, group our program costs into two categories:

- SWA-Specific Programs -- those few programs that would probably not be needed if our national strategy did not require maintaining rapid deployment capabilities specifically for SWA. Army funding for FY 1984 in this category includes:
  $41 million - Military construction
  [Deleted.]
  [Deleted.]
- Other Rapid Deployment Programs -- those programs that, although they may have been developed primarily to support our SWA strategy, would be needed to support missions and operations in other regions. These programs would still be needed even if we removed SWA planning from our national strategy. Army funding for FY 1984 includes:
  (Deleted.)
  (Deleted.)
  (Deleted.)
  (Deleted.)
  (Deleted.)
  (Deleted.)
  (Deleted.)
  (Deleted.)

QUESTION: What is programmed in the next five years for RDF-related construction?

ANSWER: All programed Army RDF-related construction is at Ras Banas. The total amount programed is $157 million.

QUESTION: One of the problems associated with the Rapid Deployment Force is the substantial requirements for fresh water. Included in the request is a facility for desalinated water production. Will this facility provide the Army with sufficient fresh water supplies to support mobilization? If not, how does the Army plan to acquire adequate supplies of fresh water at Ras Banas?

ANSWER: The desalinated water production facility is programmed for expansion each year 1984 thru 1986 to provide sufficient fresh water to accommodate incremental increases in the size of the Army force.

Ras Banas

QUESTION: Once completed, what will be the purpose of Ras Banas and what size force will it accommodate?

ANSWER: The facility development plan for Ras Banas envisions initial development of the airfield and a (d) cantonment area, followed by construction of a facility package each year thereafter. The plan will ultimately result in the capability to receive and stage up to a (d) size force for up to (d.) The facility would also serve as a preposition site for selected materiel and supplies, primarily bulk POL and ammunition. These items would be stored in peacetime with the goal of reducing strategic lift requirements once hostilities begin. (D.) The Army will also develop the port facilities to accommodate the movement of prepositioned supplies and resupply of the CENTCOM units [deleted].

Finally, plans for Ras Banas consider use of that facility for periodic joint and combined regional exercises.

Ras Banas and RDF

QUESTION: [Deleted.]

ANSWER: [Deleted.]

Army Prepositioning Policy for Southwest Asia

QUESTION: The GAO has reported that the Army has not yet decided as a matter of policy whether it wants to preposition in Southwest Asia or rely on strategic lift, what is the Army policy in that regard and how does the policy impact future military construction requirements?

ANSWER: To facilitate the deployment of forces to SWA, the Army should preposition either in or on the periphery of the SWA region those selected items of equipment and supplies which will reduce strategic lift requirements, and sustain those Army forces which will close on the air and seaports of debarkation prior to the Sea LOC achieving full productivity. The following guidelines will be used in determining the proper mix and location of assets.

Types and quantities of prepositioned equipment should be determined based on reducing the demand for early strategic airlift, particularly for high-tonnage or outsize cargo. Such equipment should also be restricted principally to selected support equipment required to close the air and sea line of communication in SWA and to operate staging and ashore prepositioning facilities. This equipment should not be drawn from AC or RC units.

Prepositioning objectives and decisions in the SWA theater are inextricably linked. Prepositioning, Host Nation Support (HNS) and military construction must be coordinated and complementary. Accordingly, the actual prepositioning of materiel in the region can take place over a relatively lengthy period of time, i.e., years.

At any point in the process, there should be some leeway for adapting the schedule and prepositioning policies to meet existing politico-military conditions. MILCON requirements will develop as equipment is selected for prepositioning and as political access to the region is broadened.

QUESTION: $5.6 million is requested for facilities at the Kwajalein Atoll in the Pacific. Are these funds related to the development of a Ballistic Missile Defense System?

ANSWER: These funds are not directly related to the development of a Ballistic Missile Defense System. The Kwajalein Missile Range request of $5.6 million for facilities supports the overall operation of the range and is independent of a Ballistic Missile Defense System. The facilities are required to provide support to all range activities and are not related to any specific range user.

QUESTION: What is programed in military construction in the next five years for BMD-related activities at this missile range or at any other location?

ANSWER: While the Army does have plans for future military construction projects, there does not exist at this time a definitive breakout by dollar amount for the future program years requested.

CHEMICAL FACILITIES

QUESTION: Funds are included in the request for a BZ agent disposal facility. In addition, substantial funding is programmed in the next five years for Chemical Warfare Disposal facilities. The justification for these facilities is that many of our chemical stocks are aging and unsafe. However, the July 20, 1981, issue of Defense Week quotes a chemical weapons officer as stating that the chemical munitions stored in West Germany "are not deteriorating; they are all serviceable." In addition, former secretary of Defense McNamara, former Secretary of State Vance, former National Security Advisor Bundy, and former Chief of Naval Operations Zumwalt recently sent a list of recommendations to the Budget Committee regarding the defense budget. Among the recommendations was the suggestion that the disposal of current stocks be deferred. Why should this committee approve these chemical disposal facilities in view of testimony which indicates this nation could continue to rely on existing stock for chemical warfare deterrence?

ANSWER: The funds requested for the BZ disposal facility and the programed funds for additional chemical demilitarization facilities in the FYDP are not intended for demilitarization of the usable portion of the chemical retaliatory stockpile. The BZ munitions which we intend to demilitarize are over 20 years old and have a long history of storage problems. The nature of the agent-pyrotechnic materiel fill of these munitions has been found to be sensitive to accidental ignition. As these munitions are both unusable and difficult to store safely, these munitions have been given a high priority for demilitarization. The facility for BZ disposal are to be constructed so that upon completion of BZ operations the facility can be modified to dispose of obsolete nerve agent rockets. Additional facilities are programed for construction at Johnston Atoll in the Pacific and at several locations in the US. These facilities are designed to demilitarize munitions which are obsolete or for those which are longer suitable for modern battlefield employment. Specifically these are the M55 nerve agent rockets and the M23 landmine. No other chemical munitions are currently programed for demilitarization. Existing stocks of old but usable nerve agent munitions are, in fact, being upgraded to the extent possible to improve the status of the chemical retaliatory stockpile. The Army has no intention of eliminating the limited quantities of usable munitions which currently represent our chemical retaliatory capability unless they either become obsolete or unserviceable or until they can be replaced with modern munitions which are much safer to store and transport.

LASER HELLFIRE MISSILE SYSTEM

QUESTION: $1.3 million is requested in support of the Laser Hellfire Missile System. How will these funds be utilized?

ANSWER: Requested funds will be utilized to construct five standard ammunition storage facilities in Germany to store the basic loads for the first unit being fielded in USAREUR with Apache/Hellfire. Based on more refined data than the $1.3 million estimate reported in the SAR, cost for the project is currently estimated to be $1.65 million.

QUESTION: What is programmed in the next five years for Hellfire?

ANSWER: Five more standard ammunition storage facilities are currently planned for Germany to provide basic load storage facilities for the second increment of units being fielded in USAREUR with Apache/Hellfire.

MULTIPLE LAUNCH ROCKET SYSTEM

QUESTION: $7.4 million is requested to support deployment of the Multiple Launch Rocket System. How will the funds be utilized?

ANSWER: The funds will be utilized for construction of facilities that directly support fielding of the Multiple Launch Rocket System. Projects are as follows:

PN	STATION NAME	TITLE	PROGRAM AMOUNT
119	Wertheim, GE	Battalion Headquarters and Classroom	1.75
408	Babenhausen, GE	Battalion Headquarters and Classroom	1.80
437	Ft Lewis, WA	Barracks	1.74
763	Munster, GE	Ammunition Storage	.67
849	Camp Essayons, Korea	Tactical Equipment Shop	1.00
850	Camp Essayons, Korea	Battery Orderly Room	.45
		Total	7.41

QUESTION: What additional MCA requirements are programmed for this weapon system in each of the next five fiscal years?

ANSWER: While the Army does have plans for future military construction projects, an approved break-out by project does not exist at this time. As of 31 December 1982, the following dollar amounts were tentatively identified as required to support this weapon system:

FY 85	$ 3.12
FY 86	$15.86

QUESTION: Provide for the record a description of the military construction funding which has been provided to date for MLRS.

ANSWER: The Multiple Launch Rocket System is being fielded as a new system. For this reason, additional facilities such as barracks, mess halls, tactical equipment shops, ammunition storage and administrative facilities are required to support the increased personnel and equipment. To date, the funding for the following facilities have been appropriated:

PN	FY	STATION NAME	DESCRIPTION	PROGRAM AMOUNT
300	82	Ft Sill, OK	Training Facility	2.15
278	82	Ft Riley, KS	Tactical Equipment Shop	.89
279	82	Ft Riley, KS	Company Administration and Supply	.45
423	82	Ft Hood, TX	Tactical Equipment Shop	.66
431	82	Ft Hood, TX	Company Administration and Supply	.43
023	82	Kriegsfeld, GE	Ammunition Storage	.97
024	82	Hanau, GE	Ammunition Storage	.88
026	82	Erlangen, GE	Tactical Equipment Shop	2.05
950	82	Hanau, GE	Tactical Equipment Shop	3.94
951	82	Erlangen, GE	Barracks w/Dining Facility	3.94
952	82	Wertheim, GE	Ammunition Storage	.50
325	83	Ft Carson, CO	Company Administration and Supply	.44
326	83	Ft Carson, CO	Tactical Equipment Shop	1.55
228	83	Ft Stewart, GA	Tactical Equipment Shop	1.00
242	83	Ft Stewart, GA	Company Administration and Supply	.52
117	83	Bamberg, GE	Barracks	2.20
118	83	Wertheim, GE	Barracks	7.60
120	83	Bamberg, GE	Ammunition Storage	.68
121	83	Bamberg, GE	Maintenance Facility	2.10
122	83	Wertheim, GE	Tactical Equipment Shop	6.20
123	83	Wertheim, GE	Ammunition Storage	2.15
846	83	Camp Essayons, Korea	Barracks	2.10
			Total	43.40

PATRIOT

QUESTION: $16.8 million is requested to support the PATRIOT Air Defense Missile System. How will these funds be utilized?

ANSWER: The $16.8 million was the previous estimate for PATRIOT facilities required in Germany. This estimate has been revised to $15.85 million and includes the following facilities:

Barracks	$ 9.30 Million
Dining Facility	3.00
Tactical Equipment Shop	.66
Ammunition Storage	.44
Heating & Utilities	2.45
Total	$15.85 Million

QUESTION: What additional requirements are programmed for PATRIOT in each of the next five fiscal years?

ANSWER: While the Army does have plans for future military construction projects to support PATRIOT, there does not exist at this time an approved break-out by project. Previously identified requirements (as of 31 December 1982) are being revised to show the following:

FY 85 - $ 72.56 Million
FY 86 - 44.52
FY 87 - 48.30
FY 88 - 15.00
Total $180.38 Million

QUESTION: Provide for the record a description of the funding which has been provided to date in support of PATRIOT.

ANSWER: To date funding for PATRIOT has been provided as follows:

FY 80 -	PATRIOT Training Facilities, Ft Bliss	$ 3.80 Million
FY 82 -	Tactical Equipment Shops (2), Germany	3.10
	Barracks with Dining Facility, Germany	13.67
	Ammunition Storage (2), Germany	1.40
FY 83 -	Tactical Equipment Shops (2), Germany	14.60
	Barracks (2), Germany	26.80
	Tactical Equipment Shops, Germany	1.25
	Heating Plant, Germany	1.45
	Dining Facility, Germany	2.65
	Ammunition Storage (2), Germany	1.08
	Motor Repair Shop, Germany	.83
	Total	$70.63 Million

QUESTION: Is construction behind schedule at any of the PATRIOT sites?

ANSWER: Our PATRIOT training projects in CONUS are all on schedule. A few of the sites in Europe got off to a slow start due to the winter weather; however, all projects are expected to be on schedule at completion of the work, including those that are just finishing design now. There is no visible reason as to why all the PATRIOT projects will not meet the required beneficial occupancy dates.

QUESTION: In the five-year program through FY 88, are there any training facilities programmed to support PATRIOT?

ANSWER: There are currently no training facilities to support PATRIOT being considered for the fiscal year 1984-88 program.

BRADLEY

QUESTION: $22 million is requested in support of Army procurement of the Bradley Fighting Vehicle. How will these funds be spent?

ANSWER: The $22 million of MCA funding in the FY 1984 in support of the Bradley Fighting Vehicle will be spent primarily for newly designed training ranges in CONUS, ammunition storage facilities in Germany and a Tactical Equipment Shop at Fort Benning. The individual projects are as follows:

PN	STATION NAME	DESCRIPTION	PROGRAM AMOUNT
388	Ft Benning, GA	Tactical Equipment Shop	5.50
469	Ft Hood, TX	Multi-Purpose Range	2.80
473	Ft Hood, TX	Platoon Qualification Range	5.20
1050	Wildflecken, GE	Training Range	2.45
1081	Kitzingen, GE	Ammunition Storage	.56
1082	Schweinfurt, GE	Ammunition Storage	1.00
1083	Aschaffenberg, GE	Ammunition Storage	.79
1084	Bad Hersfeld, GE	Ammunition Storage	1.75
1085	Fulda, GE	Ammunition Storage	1.65
		Total	21.70

QUESTION: What is programmed in each of the next five years for Bradley?

ANSWER: While the Army does have plans for future military construction projects, an approved break-out by project does not exist at this time. As of 31 December 1982, the following dollar amounts were tentatively identified as required to support the fielding of Bradley:

FY 1985	$ 6.22 Million
FY 1986	$14.38 Million

QUESTION: Provide for the record a description of the funding which has been provided to date in support of the Bradley.

ANSWER: To date, $47.26 million have been provided for Bradley. All of the funds will be or have been utilized for projects that support training. The projects are as follows:

PN	FY	STATION NAME	DESCRIPTION	PROGRAM AMOUNT
851	82	Grafenwoehr, GE	Range Upgrade	4.66
369	83	Ft Benning, GA	Infantry/Cavalry Fighting Vehicle Range	15.50
096	83	Grafenwoehr, GE	Squad/Cre Qualification Range	4.50
097	83	Grafenwoehr, GE	Platoon Qualification Range	7.50
098	83	Grafenwoehr, GE	Squad/Crew Qualfication Range	2.65
113	83	Wildflecken, GE	Upgrade Range 9	3.05
134	83	Vilseck, GE	Fighting Vehicle Training Facility	9.40
			Total	47.26

M-1 TANK

QUESTION: $2.6 million is requested in support of the Abrams Tank. How will these funds be utilized?

ANSWER: Funds will be utilized for construction of a Tank Instruction Facility at Ft Knox, KY. The facility will house M-1 Simulators as well as provide operator training facilities. The current working estimates for this project is $4.2 million.

QUESTION: What is programmed in each of the next five fiscal years for the M-1?

ANSWER: While the Army does have plans for future military construction projects, an approved break-out by project does not exist at this time. As of 31 December 1982, the following dollar amounts were tentatively identified as required to support fielding of the M-1 Tank.

Fiscal Year 1985	$2.95 Million
Fiscal Year 1986	$3.00 Million

QUESTION: Provide for the record a description of the funding which has been provided to date in support of the M-1.

ANSWER: To date, $15.2 million have been provided for two projects listed below for the M-1 Tank (Vilseck, GE and Aberdeen Proving Ground, MD). The projects are required to support M-1 operator and maintenance training.

PN	FY	STATION NAME	DESCRIPTION	PROGRAM AMOUNT
704	80	Vilseck, GE	Transition Training Facility (Bldg)	5.8
295	83	Aberdeen Proving Ground, MD	Training Facilities (Bldg)	9.4
			Total	15.2

M60 TANK

QUESTION: $2.8 million is requested in support of the M60A3 Tank. How will these funds be utilized?

ANSWER: Funds requested for support of the M60A3 Tank are required for construction of an operations building, storage and generator building for VANGUARD, a Naval Space surveillance operation. VANGUARD has been in operation since 1958, in an area adjacent to the artillery impact area at Ft Stewart, GA. This restricts use of ranges. The VANGUARD facility must be relocated to permit the ranges to be used to conduct adequate training for the M60A3 tank units.

QUESTION: What is programmed in each of the next five fiscal years in support of the M60?

ANSWER: No construction programs for the M60 Tank are currently programmed for construction during the next five fiscal years.

QUESTION: Provide for the record a description of the funding which has been provided in the last five fiscal years in support of the M60.

ANSWER: The only project during the last five fiscal years which directly supported fielding of the M60 Tank, was in FY 83 when $1.95 million were provided for a range upgrade project at Ft Stewart, GA.

DIVAD

QUESTION: What is included in the request associated with development and deployment of the DIVAD Air Defense System?

ANSWER: Facilities contained in the FY 84 MCA program that are unique to the support of the SGT York Gun System (DIVAD) are:

Project No.	Description	Location	($M)
264	Hardstand	Ft Stewart, GA	.37
265	Company Admin/Supply	Ft Stewart, GA	.43
209	Ammunition Storage	Germany	2.55
1055	Tactical Equipment Shop	Germany	11.80
1088	Tank Maintenance Facility	Germany	13.80
		Total	$28.95

In addition to the above system unique requirements, the following fiscal year projects are also associated with the successful and timely fielding of the DIVAD Battalion (includes STINGER/MANPADS as part of the Air Defense Battalions' reorganization):

Project No.	Description	Location	($M)
375	Company Admin/Supply	Ft Bliss, TX	2.20
376	Battalion Classroom	Ft Bliss, TX	.53
406	Multi-Purpose DIVAD Range	Ft Bliss, TX	9.00
1051	Dining Facility	Germany	4.35
1076	Barracks	Germany	6.80
1078	Tactical Equipment Shop	Germany	2.15
1080	Ammunition Storage	Germany	.96
1087	Barracks	Germany	6.60
2040	Ammuntion Storage	Germany	.99
		Total	$33.58

If the SGT York Gun System is not procured, portions of the above projects will still be required.

QUESTION: What is programed in MCA funds for the next five years for DIVAD?

ANSWER: While the Army does have plans for future military construction projects to support the fielding of DIVAD, there does not exist at this time an approved break-out by project. Previous estimates of system unique requirements (as of 31 December 1982) are being revised to show the following:

FY 85	$32.72 million
FY 86	6.10 million

QUESTION: Is the 1984 request and the five year plan based on deployment of a procurement of 618 Division Air Defense (DIVAD) Guns?

ANSWER: Yes.

QUESTION: The decision on the second production option is due in May, if the Department fails to exercise this option or future options, how will the military construction requirements be affected?

ANSWER: The Department definitely plans to exercise this option. The military construction program for DIVAD totals $82.8 million and includes funding in fiscal year 1983 through fiscal year 1986. These funds are used to provide adequate maintenance and training facilities to support deployment of the DIVAD system. Facility construction will be needed both here in the United States and overseas and construction delays would seriously impede successful deployment. The construction programed in fiscal year 1983 and fiscal year 1984 is necessary to field the weapons being procured in the first and second production options. If future production buys were cancelled, the Army could curtail most construction projects scheduled beyond the fiscal year 1984 program. Additionally, it would be necessary to reevaluate fielding schemes based upon deployment of fewer guns and some modifications might be necessary in the fiscal year 1984 construction program. To date we have committed $6.7 million for training facilities at Fort Bliss, Texas and $8.3 million for maintenance facilities and a tactical equipment shop in Germany.

QUESTION: Provide for the record a description of the funding which has been provided to date in support of DIVAD.

ANSWER: To date funding has been provided for the SGT York Gun System (DIVAD) as follows:

FY 83 -	Training Facility, Ft Bliss	$6.70 million
	Tactical Equipment Shop, Germany	7.10 million
	General Support Maintenance Facility, Germany	1.20 million
	Total	$15.00 million

BARRACKS

QUESTION: What is the average unit cost per square foot for barracks construction in the United States? Overseas?

ANSWER: The average unit cost for barracks constructed in the United States excluding Hawaii is $58.19 per square foot. The average unit cost for barracks in Hawaii is $77.00 per square foot. Overseas, the average unit cost for barracks is $61.70 per square foot.

BARRACKS DESIGN

QUESTION: Do any of the barracks projects requested for 1984 incorporate the old standard barracks design?

ANSWER: With one exception, new FY 1984 barracks projects are designed to existing criteria using standard designs wherever possible. The exception is PN 323 at Fort Riley, KS, which has been designed to concept level using both the existing criteria and the new proposed criteria. Final design for this project has been deferred pending guidance on use of the new criteria from the Office of the Secretary of Defense.

QUESTION: What is the status of the new barracks design? When will it be completed?

ANSWER: In February 1983, the three services furnished coordinated design and space criteria to the Deputy Assistant Secretary of Defense (Installations) for approval and transmittal to the Congressional committees. As of 18 March 1983, the new criteria are being reviewed ODASD(I). The Army has prepared concept design based on the proposed criteria, but preparation of standard designs is being withheld pending issuance of official criteria.

QUESTION: Why couldn't the 1984 projects be deferred until the new, more efficient design is approved?
ANSWER: The Army is committed to providing improved living and working conditions for its soldiers. Unaccompanied Enlisted Personnel Housing (UEPH) is among the highest priorities in this effort. Current plans call for elimination of the UEPH deficit of 110,000 spaces by 1990. The FY 84 program will provide quality housing for approximately 7,000 unaccompanied enlisted soldiers. Many of these soldiers are among the 80,000 who live in inadequate World War II temporary wooden structures. They deserve better, and as soon as possible. Many of the barracks projects are tied to force modernization or force structure initiatives, such as the Patriot barracks at Giebelstadt, Germany and the project at Camp Colbern, Korea in support of the introduction of improved communication capabilities. Deferring construction would jeopardize fielding plans for these systems.

QUESTION: What is the average unit cost per square foot for new family housing in the United States? Overseas?
ANSWER: The average cost per square foot for new family housing is estimated to be $47 per square foot adjusted to the area cost index of the geographic location. For foreign countries this cost per square foot is also adjusted to the estimated foreign currency exchange rate of that country.

Family Housing

QUESTION: What is programmed for Family Housing construction for each of the next five years?
ANSWER: While the Army does have plans for future family housing construction projects, there does not exist at this time a definitive breakout by dollar amount for the future program years requested.

QUESTION: In FY1984 the Army is projecting a $26 million increase for utilities to a total of $306 million. It is noted that the utilities account for the Air Force is projecting a slight decrease from $235 million to $233 million and the Navy is projecting a substantial reduction from $200 million to $161 million. How do you account for this?
ANSWER: The Army will assume responsibility for approximately 12,000 units in Oahu in FY1984 which were previously funded by the Air Force, Navy and Marine Corps. The other services transferred $30 million to the Army to support the utilities costs which will be incurred by the Army in FY1984. Thus, the Army's utility request actually represents a net reduction of $4 million from the FY83 appropriated level when adjusted for the 12,000 units transferred.

QUESTION: You are requesting $54,200 for maintenance and repair of one unit of housing at Fort McNair. What is the urgency of this request?

ANSWER: The work requested is for the repair of the old and antiquated utility system and concurrent replacement of the house's windows. The house is 62 years old and the heating system, which is over 20 years old requires extensive maintenance and repair. The windows are energy wasteful since they cannot be properly closed. They are not economically repairable and must be replaced. The nature of the work requires that the unit be vacant during the repair period. This unit is currently designated "Position Quarters" for the Post Commander, Fort McNair who will be transferred in FY1984. Failure to do the work at this most opportune time may lead to failure of these deteriorated utility systems while the unit is occupied, thus increasing the cost since repairs are then accomplished on an emergency basis.

Fort McNair

QUESTION: What is included in the Five Year Program for family housing construction and/or maintenance and repair at Fort McNair?

ANSWER: The Army does not have at this time a definitive breakout by dollar amount by installation of the future year programs requested.

QUESTION: Provide for the record the current inventory for each facility, the deficit at each base, the reason for the stated deficit, and the date of the most recent survey.

ANSWER: The information requested on current inventory, deficit and date of the most recent survey for each of the installations with FY1984 new construction or modernization projects is provided in the following chart. All the deficits are due to insufficient existing adequate facilities required for mission support.

INSTALLATION	CURRENT INVENTORY	DEFICIT	DATE OF LAST SURVEY
GERMANY			
Ray Bks, Friedberg	1,623	852	14 Apr 81
Babenhausen Kaserne	860	593	4 Sep 81
Finthen Army Afld, Mainz	601	152	17 Jul 81
Feucht Army Airfield	0	334	9 Apr 81
Giebelstadt Army Afld	881	597	31 Jan 82
Cooke Bks, Goppingen	777	336	14 Oct 81
Larson Bks, Kitzingen	1,213	1,163	10 Aug 81
Mainz	0	677	17 Jul 81
Badenerhof Kaserne,Heilbronn	452	173	15 Dec 81
GREECE			
18th USAFAD, Argyroupolis	Off 0 Enl 31	Off 4 Enl 15	31 Jul 81
19th USAFAD, Perivolaki	Off 0	Off 3	31 Jul 81
TURKEY			
Tuslog Det 67/168	69	137	31 Jul 81
EIGHTH US ARMY, KOREA			
2nd Infantry Division	6,711	3,593	21 Jun 81
Camp Red Cloud	1,061	239	27 Aug 81

Camp Colbern	253	226	21 Jun 82
K-16 Airfield	495	135	21 Jun 82
UNITED STATES			
Schofield Bks, Hawaii	7,562	1,577	14 Sep 81
* US Mil Academy, NY	3,530	815	16 Feb 81
Fort Bragg, NC	19,648	2,637	28 Aug 81
Fort Irwin, CA	Off 60 Enl 528	Off 100 Enl 547	4 Jan 82
Fort Lewis, WA	11,309	921	16 Feb 82
Fort Riley, KS	9,318	1,057	18 Mar 82
Fort Leavenworth, KS	232	852	23 Jun 82

* Includes military cadets only

NOTE: All deficits and inventories are for enlisted unless otherwise indicated.

QUESTION: Please outline for the record the details of DOD's minimum standards for UEPH facilities.

ANSWER: Department of Defense Instruction 4165.47 outlines the following minimum standards for UEPH.

GRADE	MINIMUM STANDARD		
	NET SQ FT PER PERSON	# IN ROOM	BATH
E7-E9	200	1	Private
E5-E6	90	2	Central
E1-E4	85	4	Central
Trainees	72	Open Bay	Central

The above standards were established to insure that personnel housed in existing buildings would not be deprived of minimum essential space and privacy and still allow economical use of existing facility inventory. However, DOD has established construction criteria to be used whenever existing facilities are modernized or new facilities are built. These standards are as follows:

GRADE	CONSTRUCTION CRITERIA		
	NET SQ FT PER PERSON	# IN ROOM	BATH
E7-E9	270	1	Private
E5-E6	135	2	1/Room
E1-E4	90	3	1/Room
Trainees	72	Open Bay	Central

As a result of Congressional guidance, DOD is in the process of revising the construction criteria to standardize room design among the Services and provide added space and privacy for servicemembers.

The new criteria will provide a module consisting of 2 180 net square feet rooms and a shared bath. E1-E4 will be housed 2 per room; E5-E6, 1 per room; and 1 E7-E9 will occupy a 2 room module.

QUESTION: Are you requesting any UEPH facilities in FY 84 which exceed DOD minimum standards? If so, please provide justifications for this request.

ANSWER: Barracks projects are designed according to DOD Construction Criteria which exceed DOD minimum standards. In addition, to comply with FY 82 Congressional guidance, all FY 84 barracks projects were reviewed for application of new criteria, but in only one case (i.e., Fort Riley), was it decided to use the proposed criteria. While this project is technically in excess of DOD criteria, it is expected that the criteria will be revised in the near future to reflect Congressional guidance.

QUESTION: What current UEPH facilities in the inventory exceed DOD minimum standards?

ANSWER: Almost all UEPH facilities built in the United States and Europe since 1973 were built to DOD construction criteria which exceed DOD minimum standards for housing personnel in existing facilities. Remote sites in Europe are the only exception.

QUESTION: What UEPH facilities are programmed in the next five years which are planned to exceed DOD minimum standards?

ANSWER: To the maximum extent practicable, new construction and modernization projects are now designed in accordance with DOD construction criteria and thus will exceed the minimum adequacy standards established by OSD. Minimum standards apply for assigning quarters in existing construction built before the current criteria were applicable.

QUESTION: For each facility requested or programmed, provide for the record an estimate of the potential savings if these facilities were built only to DOD minimum standards.

ANSWER: The list below provides estimates of potential savings resulting from building UEPH to DOD minimum standards. It does not include Korea projects which do not meet DOD minimum criteria due to the lack of adequate latrine facilities.

Installation	Est Savings ($)
Ft Bragg	6700
Ft Irwin	5500
Ft Lewis	700
Ft Riley	3200
Ft Riley	3000
Ft Riley	4000
West Point	3400
Friedberg	1200
Babenhausen	4900
Finthen	1200
Feucht	3300
Giebelstadt	5200
Goeppingen	1200
Friedberg	2000
Kitzingen	4000
Mainz	6800
Heilbronn	800
Schofield Barracks	5400

Medical Facilities

QUESTION: GAO has recommended that the Army and Air Force should coordinate medical construction programs for Germany to encourage joint utilization of facilities where possible. What actions are you taking in this regard?

ANSWER: The Army believes that there exist opportunities for interservice sharing of health facilities and is amenable to such sharing where and when possible. The identification of such opportunities is a result of the DoD Health Facility Planning Review Board held annually which reviews the three Services' medical construction programs and acts to coordinate medical projects among the Services.

In addition, in his role of USAREUR Surgeon, the 7th Medical Commander is responsible for the coordination of all health care delivered in Europe for each of the Services. This coordination encompasses services delivered and the facilities in which they are delivered.

QUESTION: What facilities in Germany are programmed in the next five years?

ANSWER: Facilities currently being considered include the following:

Augsburg, Hospital Alteration
Wuerzburg, Dental Clinic
Landstuhl, (Final) Hospital Renovation Project
Wuerzburg, Hospital Modernization
Krabbenloch, Troop Medical/Dental Clinic
Wildflecken, Dispensary/Dental Clinic
Kaiserslautern, Troop Medical/Dental Clinic
Vilseck, Dispensary
Babenhausen, Dispensary/Dental Clinic
Heilbronn, Dispensary/Dental Clinic
Boeblingen, Troop Medical/Dental Clinic
Bad Toelz, Dispensary/Dental Clinic
Zweibruecken, Dental Clinic
Buedingen, Troop Medical/Dental Clinic
Baumholder, Dental Clinic
Stuttgart, Hospital Modernization
Herzogenaur, Dental Clinic
Crailsheim, Dispensary/Dental Clinic
Vogelweh, Preventive Medicine Facility

QUESTION: Do you plan to coordinate in the future with your sister Service? Provide a policy statement for the record.

ANSWER: Yes. The Army will coordinate with the Air Force and the Navy in the programming and construction of medical facilities. This has been and will continue to be accomplished through the Department of Defense Health Facility Planning Review Board.

Coordination of health facility planning among the Services occurs at the installation, regional, MACOM and headquarters levels. This effort in conjunction with DoD oversight results in increasing efficiency of medical construction throughout the DoD health system.

QUESTION: At this point in the record I would like to insert an article which appeared in the March 1, 1983, edition of the Baltimore Sun regarding the Army's request for construction of recreation facilities at certain locations.

(The article follows).

Please outline for the record the justification of proceeding with construction of these facilities at this time.

ANSWER: Physical fitness facilities contribute directly toward Army readiness, emphasizing physical training techniques, health, and life-style education. The activities conducted develop the mental and physical toughness that is crucial to staying alive and winning on tomorrow's lethal battlefields, as it was for the British in the recent Falkland Islands crisis. The physical fitness program has been expanded in the areas of strength-conditioning for women, stress-conditioning for middle-aged soldiers, and aquatics for personnel precluded from running because of injuries or other health reasons. These facilities provide the variety of athletics necessary to achieve and sustain conditioning levels and provide the flexibility to tailor activities to individual and organizational needs year-round. They enable the Army to build cohesion through sports competition in keeping with the national spirit of "winning." In organized sports programs, soldiers develop greater strength, agility, and stamina from the challenge of playing stronger and better opponents as individuals and teams. Soldiers need the variety of recreational opportunities to learn new athletic skills, including unarmed combat and water survival techniques. Through sports medicine research it has been determined that swimming is a safer, more beneficial means of aerobic conditioning because it exercises all body muscles whereas running does not. Soldiers precluded from running because of injury may require rehabilitation exercise in pools. They will be encouraged to participate in a "Swim For Your Life" program currently being developed. An improved "drownproofing" course is also under development.

Physical fitness is a health-enhancing, wholesome program that counters drug and alcohol abuse, vandalism and other anti-social problems which otherwise drain our resources. As soldiers gain the personal benefits from total fitness, i.e., physical conditioning, nutrition, education, and life-style modification that promotes sustained fitness, the motivation of spouses and dependent children will also be positively influenced. In a multiplier effect, the cost benefits in future years should be a higher quality of life and lower medical costs for both active and retired soldiers, as well as for many of their dependents.

As shown in the table below, the Fort Myer Physical Fitness Training Center, mentioned in the above article, is not in the 1984 Military Construction, Army, submission.

ARMY PHYSICAL FITNESS TRAINING CENTERS IN THE FY 1984 MILITARY CONSTRUCTION PROGRAM
($000)

	New Construction	Replacement of Inadequate Structures	Additions to Current Facilities
OVERSEAS (12)			
Greece	$1,000		
Germany			
Goepingen		$2,650	
Fulda		2,250	
Kriegsfeld			$,410
Giebelstadt			1,550
Heidelberg	2,550		
Darmstadt		1,300	
Schweinfurt		2,450	
Kitzengen			,760
Korea			
K-16	1,550		
Camp Howze		1,950	
Camp Red Cloud		,360	
Sub-total	5,100	10,960	2,720
IN THE UNITED STATES (8)			
Fort Bragg	2,800		
Carlisle Bks		3,700	
Fort Irwin		5,800	
Fort Leavenworth		3,550	
Fort Hunter Liggett		2,850	
Fort Storey		1,800	
Sierra, AD		2,200	
White Sands			,310
Sub-total	2,800	19,900	,310
Sub- total	$7,900	$30,860	$3,030
Grand total:	$41,790		

The facilities at Fort Leavenworth, Kansas, and at Carlisle Barracks, Pennsylvania, exemplify the inadequacy of many structures which are too small for balanced fitness programs for men and women. The gymnasium at Fort Leavenworth also was originally built as a horse stable. Some of our worst facilities are in Europe and Korea. For example, three current facilities are temporary inflatable structures which require constant, expensive maintenance, i.e., frequent canvas repairs and large amounts of fuel oil to keep inflated. One facility in Korea leaks badly, has inadequate insulation and is a fire and safety hazard because of poor wiring. It is too small for the scope of activities needed and it also lacks shower and locker rooms for female soldiers. Built in years preceding women's entry into the Army, some buildings cannot be cost-effectively renovated to provide locker and latrine rooms for women. If soldiers of only one sex can use the facilities at a time, it restricts the usefulness of the building to all soldiers. Of the eight facilities programmed in the United States, all replace existing inadequate structures except for Fort Bragg, North Carolina where the troop population justifies construction of a new facility. The program is necessarily large because the existing inventory continues to deteriorate and because projects were deferred without prejudice in previous years (six in Germany in 1982 and 1983, three for Korea and two for Fort Irwin, California in 1983).

The Fort Irwin physical fitness training facilities are components of a long-range community plan for morale, welfare, and recreational facilities to support approximately 3,000 soldiers and their families at the new National Training Center. Fort Irwin is an isolated location without a nearby civilian community to provide supplemental support. Even if the current plan proceeds on schedule, it will be at least 1986 before Fort Irwin will have the essential community support facilities which are required to adequately support large military installations.

Recreational Facilities

QUESTION: What is programmed for specific recreation facilities in each of the next five fiscal years?

ANSWER: While the Army does have plans for future military construction projects, there does not exist at this time a definitive breakout by dollar amount for the future program years requested.

QUESTION: What has been approved for recreation facilities in the last five years and at what locations?

ANSWER: The following recreation projects were approved in the last five years:

ARMY RECREATION PROJECTS

YEAR	STATION & STATE	PROJECT NUMBER	PROJECT DESCRIPTION	AMOUNT $(000)
79	SENECA ARMY DEPOT NY	0040000	GYMNASIUM	1,087
	U S MILITARY ACADEMY NY	0172000	ALT MICHIE STADIUM & GYM	3,634
		0173000	OUTDOOR ATHLETIC FACS	1,278
*TOTAL YEAR 79				5,999
80	GERMANY VARIOUS	0348000	GYMNASIUM & FACS GRAFENWHR	3,050
		0397000	GYMNASIUM ADDN-WERTHEIM	1,150
	U S MILITARY ACADEMY NY	0174000	ATHLETIC FACILITY	17,960
*TOTAL YEAR 80				22,160
81	FORT HOOD TX	0394082	CHILD CARE CNTR	2,050
	FORT IRWIN CA	0817100	RECREATION CENTER/NTC	2,250
	FORT STEWART GA	0188000	GYMNASIUM	1,850
	GERMANY VARIOUS	0109000	PHYS FIT CTR HOHENFELS	2,580
		0396000	PHYS FIT CTR ASCHAFNBRG	1,603
		0417000	PHYSICAL FIT CTR GELNHAUSE	1,141
		0432000	ALT PHYS FIT CTR FISCHBACH	692
		0435000	PHYSICAL FIT CTR MANNHEIM	1,767
		0922000	PHYS FIT CTR BOEBLINGEN	2,464
	KOREA VARIOUS	0640000	PHYSICAL FIT CTR WALKER	1,804
	TURKEY VARIOUS TU	0006000	PHYSICAL FITNESS CENTER	822
*TOTAL YEAR 81				19,023

ARMY RECREATION PROJECTS

YEAR	STATION & STATE	PROJECT NUMBER	PROJECT DESCRIPTION	AMOUNT $(000)
82	FORT BENJAMIN HARRISON IN	0020000	GYMNASIUM	3,900
	FORT DRUM NY	0041000	OUTDOOR COURTS & FIELDS	420
	FORT LEE VA	0146000	PHYSICAL FIT CTR W/O POOL	5,200
	FORT LEWIS WA	0342000	PHYSICAL FIT CTR (BKS II)	6,700
	GERMANY VARIOUS	0737000	CHILD CARE CTR PIRMASENS	1,407
	KOREA VARIOUS	0621000	RECREATN CTR/LIB-CP WALKER	1,050
		0692000	GYMNASIUM-CP CARROLL	2,150
		0732000	GYMS-CP OWEN/HOVEY	3,300
	TURKEY VARIOUS TU	0205000	CMUNITY ACT FAC-DET 67/168	590
		0303000	COMMUNITY ACT FAC-DET 74	650
		0403000	COMMUNITY ACT FAC-DET 155	960
*TOTAL YEAR 82				26,327
83	FORT DEVENS MA	0164000	GYM ADDITION	490
	FORT HUACHUCA AZ	0178000	CHILD CARE CENTER	2,600
	TURKEY VARIOUS TU	0209000	GYMNASIUM	2,200
		0503000	MULTI PURPOSE BLDG-RECR	570
		0505000	MULTI-PURPOSE RECR FAC	350
	YAKIMA FIRING CENTER WA	0386000	GYMNASIUM	1,700
*TOTAL YEAR 83				7,910
TOTAL				81,419

Fort Campbell

QUESTION: What is included in the FY 1984 request for Fort Campbell, Kentucky?

ANSWER: The following MCA projects are included for Fort Campbell, Kentucky:

Dining Facility Modernization	2,050
Energy Monitoring and Control System	3,600
Flight Simulator Building	5,500
Upgrade Water Supply	2,850
Solid Waste Incinerator	4,950
Battalion Headquarters and Classroom	1,300
Total for Fort Campbell	20,250

QUESTION: Recently I toured Fort Campbell and was very concerned with the very poor conditions and lack of adequate maintenance facilities. The maintenance shop and motor pool upgrades at Fort Campbell are substantially behind other facilities. Provide for the record the maintenance facility construction backlog.

ANSWER: The maintenance facility construction backlog for Fort Campbell totals $195 million.

QUESTION: What facilities could be advanced from the outyears into the FY 1985 program?

ANSWER: With a few exceptions, all FY 1985 Military Construction, Army projects have been released for design. Any outyear project could be brought into the FY 1985 program if the Army can obtain assurances of compliance with the 35 percent design requirement.

SUBCOMMITTEE RECESS

The subcommittee is going to stand in recess until Monday, March 21 at 2 p.m., when we will receive testimony from the Air Force.

Thank you very much.

[Whereupon, at 9:05 a.m., Wednesday, March 16, the subcommittee was recessed, to reconvene at 2 p.m., Monday, March 21, 1983.]

MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1984

TUESDAY, MARCH 22, 1983

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 2:05 p.m. in room S-126, the Capitol, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE NAVY

STATEMENT OF REAR ADM. W. M. ZOBEL, CEC, U.S. NAVY, COMMANDER, NAVAL FACILITIES ENGINEERING COMMAND

ACCOMPANIED BY:

- **COMDR. R. E. GAGEN, CEC., U.S. NAVY, DIRECTOR, PROGRAM DEVELOPMENT DIVISION, MILITARY CONSTRUCTION PROGRAMMING, NAVAL FACILITIES ENGINEERING COMMAND**
- **R. J. MURPHY, DIRECTOR, ATLANTIC LIAISON DIVISION, MILITARY CONSTRUCTION PROGRAMMING, NAVAL FACILITIES ENGINEERING COMMAND**
- **W. K. TAYLOR, DIRECTOR, PACIFIC LIAISON DIVISION, MILITARY CONSTRUCTION PROGRAMMING, NAVAL FACILITIES ENGINEERING COMMAND**

INTRODUCTION OF WITNESSES

Senator MATTINGLY. The subcommittee will come to order.

This afternoon we will receive testimony in support of the military construction budget for fiscal year 1984 for the Navy and the Marine Corps.

I want to welcome our witnesses today, Rear Admiral Zobel, Commander of the Naval Facilities Engineering Command who will present the overview of the program. Also General Buehl, Chief of Facilities and Services Division of the U.S. Marine Corps, who will present the Marine's request.

BUDGET REQUEST

The program before us this year requests $1.3 billion in new budget authority for military construction and $704 million for family housing. These amounts represent an increase to the fiscal 1983 appropriations of approximately $230 million.

I understand that both of our witnesses have prepared statements. They will be placed in the record in their entirety and you may brief them, if that is acceptable.

Admiral Zobel, you may begin.

PREPARED STATEMENT

Admiral **Zobel**. Thank you, sir. We are pleased to be here with you today. Backing up General Buehl is Maj. Guy Larson and with me are Comdr. Bob Gagen, Mr. Ray Murphy, and Mr. Ken Taylor.

I highlighted our program for you during our overview hearings for MILCON. I can do that again if you desire. Otherwise, I will just put the statement in the record.

Senator **Mattingly**. You just go ahead and put it in the record, then; without objection.

[The prepared statement of Rear Adm. W. M. Zobel follows:]

PREPARED STATEMENT OF REAR ADM W. M. ZOBEL, CEC, USN

COMMANDER

NAVAL FACILITIES ENGINEERING COMMAND

MR. CHAIRMAN, AND MEMBERS OF THE COMMITTEE:

I AM REAR ADMIRAL W. M. ZOBEL, COMMANDER OF THE NAVAL FACILITIES ENGINEERING COMMAND.

I AM PLEASED TO HAVE THE OPPORTUNITY TO REVIEW THE NAVY'S MILITARY CONSTRUCTION AND FAMILY HOUSING AUTHORIZATION REQUEST WITH YOU. BRIGADIER GENERAL LOUIS H. BUEHL, UNITED STATES MARINE CORPS, WILL REVIEW THE MARINE CORPS' PORTION OF THE REQUEST.

MILITARY CONSTRUCTION AND FAMILY HOUSING

THIS YEAR, THE NAVY AND MARINE CORPS' MILITARY CONSTRUCTION AND FAMILY HOUSING BUDGET REQUEST IS $2 BILLION, 48 MILLION IN NEW OBLIGATIONAL AUTHORITY. FOR COMPARISON, $1 BILLION, 817 MILLION WAS AUTHORIZED IN FISCAL YEAR 1983 AND $2 BILLION, 63 MILLION IN FISCAL YEAR 1982. THIS REQUEST, WHICH REPRESENTS A 13 PERCENT INCREASE FROM THAT APPROVED IN FISCAL YEAR 1983 AND IS SLIGHTLY LESS THAN THAT APPROVED IN FISCAL YEAR 1982, IS THE ABSOLUTE MINIMUM NEEDED TO CORRECT SIGNIFICANT NAVY AND MARINE CORPS FACILITIES DEFICIENCIES. AS IN THE PAST, THIS MILITARY CONSTRUCTION AND FAMILY HOUSING PROGRAM WAS DEVELOPED IN CONJUNCTION WITH OTHER NAVY PROGRAMS SUCH AS SHIPBUILDING AND CONVERSION, AIRCRAFT PROCUREMENT AND WEAPONS PROCUREMENT IN ORDER TO PROVIDE THE OPTIMUM MIX OF AUTHORIZATIONS THAT IS NECESSARY TO SUPPORT OUR MISSIONS. THIS METHOD OF PROGRAMMING AND BUDGETING ENABLES US TO INSURE THAT ADEQUATELY-TRAINED PEOPLE, AND SUFFICIENT EQUIPMENT AND MATERIAL, AS WELL AS NECESSARY FACILITIES ARE AVAILABLE, WHEN REQUIRED, TO SUPPORT BOTH OUR EXISTING AND NEW MISSIONS.

IN DEVELOPING THE PROJECTS IN OUR PROGRAM, WE HAVE CONTINUED TO TAKE INTO ACCOUNT THE LONG-TERM COST OF FACILITIES MANAGEMENT. WE ATTEMPT TO MAXIMIZE THE LIFE OF FACILITIES AND TRY TO ACHIEVE THE OPTIMUM BALANCE OF CAPITAL INVESTMENT, AND OPERATIONAL AND MAINTENANCE COSTS THROUGH GOOD DESIGN, CONSTRUCTION AND MAINTENANCE TECHNIQUES. WE CONTINUE TO LOOK FOR INNOVATIVE METHODS AND TECHNIQUES, WHICH WILL PROVIDE FOR US THE FACILITIES THAT WILL BEST SATISFY OUR FUNCTONAL REQUIREMENTS WHILE MINIMIZING THE TOTAL COSTS THROUGHOUT THE LIFE OF THE FACILITY. AN EXAMPLE OF THIS IS THE $39 MILLION BERTHING PIER PROJECT IN THIS YEAR'S PROGRAM AT THE NAVAL STATION CHARLESTON, SOUTH CAROLINA, WHICH WILL PROVIDE FOR US A UNIQUE TWO-LEVEL PIER. THE UTILITY LINES THAT PROVIDE SERVICE TO THE SHIPS WILL BE LOCATED ON THE LOWER LEVEL OF THE PIER LEAVING THE UPPER LEVEL AVAILABLE FOR UNOBSTRUCTED SHIP LOADING AND ACCESS. THIS APPROACH WILL RESULT IN THE CONSTRUCTION OF A NARROWER PIER THAT WILL USE A MINIMUM AMOUNT OF VALUABLE WATERFRONT SPACE WHILE PROVIDING A PIER THAT WILL HAVE A MORE EFFICIENT OPERATING AREA.

MILITARY CONSTRUCTION

THE MILITARY CONSTRUCTION PORTION OF THE NAVY AND MARINE CORPS REQUEST IS $1.34 BILLION WHICH IS A 24 PERCENT INCREASE FROM THE $1.08 BILLION APPROVED IN FISCAL YEAR 1983 AND AN EIGHT PERCENT DECREASE FROM THE $1.45 BILLION APPROVED IN FISCAL YEAR 1982. THIS PROGRAM RESPONDS TO THE NAVY'S HIGHEST PRIORITIES OF IMPROVING READINESS AND SUSTAINABILITY OF CURRENT FORCES WITH EMPHASIS ON THOSE THAT ARE FORWARD DEPLOYED. IT PROVIDES THE CAPITAL PLANT INVESTMENT THAT IS NECESSARY IN FISCAL YEAR 1984 FOR THE SUPPORT OF THESE NAVY AND MARINE CORPS OPERATING FORCES, INTRODUCTION OF NEW WEAPONS SYSTEMS, AND THE EFFICIENT OPERATION OF THE SHORE ESTABLISHMENT. THE PRESENT ESTIMATED VALUE OF NAVY AND MARINE CORPS SHORE FACILITIES IS $72.7 BILLION AND WE HAVE A TOTAL REQUIREMENT OF $18.7 BILLION FOR NEW AND REPLACEMENT FACILITIES TO SUPPORT OUR GROWING NAVAL

FORCE. THE PROGRAM WE HAVE SUBMITTED TO YOU WILL REDUCE THIS REQUIREMENT IN AN ORDERLY MANNER.

AS WAS THE CASE LAST YEAR, APPROXIMATELY 82 PERCENT OF THE PROGRAM IS FOR CONSTRUCTION WITHIN THE UNITED STATES WITH THE REMAINING 18 PERCENT FOR OUR OVERSEAS ACTIVITIES. EMPHASIZING READINESS OF CURRENT FORCES, 60 PERCENT OF THE PROGRAM ($806 MILLION) IS IN SUPPORT OF EXISTING MISSION REQUIREMENTS WHICH INCLUDES NEW CONSTRUCTION TO CORRECT FACILITY DEFICIENCIES (25 PERCENT), AS WELL AS MODERNIZATION OF OBSOLETE AND INEFFICIENT FACILITIES (35 PERCENT). THE REMAINING 40 PERCENT OF THE PROGRAM ($538 MILLION) IS FOR CONSTRUCTION TO MODERNIZE OUR FORCES AND INTRODUCE NEW WEAPONS SYSTEMS. WE CONTINUE TO PLACE EMPHASIS ON PROVIDING FACILITIES THAT PROMOTE MATERIAL AND PERSONNEL READINESS, ENHANCE PRODUCTIVITY, IMPROVE MORALE AND WELFARE AND CONTRIBUTE TO THE RETENTION OF PERSONNEL. THIS IS DEMONSTRATED IN THIS YEAR'S PROGRAM BY OUR PROPOSED REPLACEMENT AND MODERNIZATION OF MANY CROWDED AND INEFFICIENT FACILITIES IN WHICH A LARGE NUMBER OF OUR PERSONNEL ARE NOW LIVING AND WORKING.

NEW MISSIONS

THE NAVY'S PORTION OF THE $538 MILLION BEING REQUESTED THIS YEAR IN SUPPORT OF NEW MISSIONS IS REPRESENTED BY A CONTINUATION OF SUPPORT FOR THE NAVY SUPPORT FACILITY, DIEGO GARCIA, THE F/A-18 AIRCRAFT, THE TRIDENT WEAPONS SYSTEM, THE AEGIS SHIP COMBAT SYSTEMS, AND THE LAMPS III HELICOPTER PROGRAM. WE ALSO ARE MAKING INITIAL MILITARY CONSTRUCTION REQUESTS IN SUPPORT OF THE LANDING CRAFT AIR CUSHION COMPLEX AT CAMP PENDLETON, CALIFORNIA; THE NEW NAVAL TRANSMITTER FACILITY AT REPUBLIC, MICHIGAN; AND A BERTHING PIER AT THE NAVAL STATION, CHARLESTON, SOUTH CAROLINA. THE $21 MILLION LANDING CRAFT AIR CUSHION COMPLEX WILL PROVIDE MAINTENANCE AND SUPPORT FACILITIES FOR A RECENTLY ESTABLISHED UNIT WHICH WILL OPERATE AND MAINTAIN THESE NEW ASSAULT CRAFT AS ELEMENTS OF AN AMPHIBIOUS TASK FORCE. THE $13 MILLION TRANSMITTER FACILITY AT REPUBLIC, MICHIGAN, WILL GREATLY ENHANCE THE SURVIVABILITY OF OUR SUBMARINES BY PROVIDING EXTREMELY LOW FREQUENCY COMMUNICATION, ALLOWING OUR SUBMARINES TO RECEIVE MESSAGES WHILE AT GREAT DEPTHS AND WHILE TRAVELING AT VARYING SPEEDS. AT THE NAVAL STATION, CHARLESTON, SOUTH CAROLINA, A NEW $39 MILLION PIER WILL BERTH THE SEVEN NEW SPRUANCE-CLASS DESTROYERS NOW HOMEPORTED THERE. IT WILL ALSO BE USED BY THE NEW FFG-7 FRIGATES SCHEDULED TO BE AT CHARLESTON BY THE MID 1980'S.

FACILITIES SUPPORTING THE TRIDENT SUBMARINE AND NEW TRIDENT II (D-5) WEAPON SYSTEM REPRESENT OUR LARGEST NEW MISSION REQUIREMENT. THE $132 MILLION REQUEST INCLUDES $85 MILLION FOR THREE TRIDENT II DEVELOPMENT FACILITIES AT THE NAVAL ORDNANCE TEST UNIT, CAPE CANAVERAL, FLORIDA, AND THE NAVAL WEAPONS CENTER, CHINA LAKE, CALIFORNIA; $39 MILLION FOR FOUR PROJECTS AT THE NAVAL SUBMARINE BASE, KINGS BAY, GEORGIA; AND $8 MILLION FOR THREE PROJECTS AT THE NAVAL SUBMARINE BASE, BANGOR, WASHINGTON. THE TRIDENT II DEVELOPMENT FLIGHT TEST FACILITY AT CAPE CANAVERAL FOR $60 MILLION AND THE UTILITIES AND SITE IMPROVEMENT PROJECT AT THE NAVAL SUBMARINE BASE, KINGS BAY, GEORGIA FOR $19 MILLION MAKE UP THE MAJOR PORTION OF THIS YEAR'S TRIDENT REQUIREMENTS. THIS THIRD YEAR OF CONSTRUCTION AT KINGS BAY, AND THE MISSILE DEVELOPMENT FACILITIES AT CAPE CANAVERAL AND CHINA LAKE, ARE NECESSARY TO MEET THE PLANNED INITIAL OPERATING CAPABILITY FOR THE TRIDENT II (D-5) SYSTEM AT KINGS BAY IN 1989.

IN ORDER TO CONTINUE PROVIDING THE REQUIRED FACILITY SUPPORT FOR NEW MISSION REQUIREMENTS AT THE NAVY SUPPORT FACILITY, DIEGO GARCIA, THE F/A-18 AIRCRAFT, THE LAMPS MARK III HELICOPTER, AND THE AEGIS CRUISERS, $104 MILLION IS BEING REQUESTED. FIVE PROJECTS AT THE NAVAL AIR STATION, LEMOORE, CALIFORNIA AND FIVE AT THE NAVAL AIR STATION, CECIL FIELD, FLORIDA PROVIDE $35 MILLION IN OPERATION AND SUPPORT FACILITIES FOR THE F/A-18. THE LAMPS MARK III IS SUPPORTED BY FOUR PROJECTS FOR $27 MILLION: TWO AT THE NAVAL STATION, MAYPORT, FLORIDA, AND TWO AT THE NAVAL AIR STATION, NORTH ISLAND, CALIFORNIA. FACILITY IMPROVEMENTS AT THE NAVY SUPPORT FACILITY, DIEGO GARCIA IN THE AMOUNT OF $34.5 MILLION, AND FOUR PROJECTS IN THE AMOUNT OF $7.5 MILLION FOR THE AEGIS CRUISERS COMPLETE THE $104 MILLION REQUEST. THE MAJORITY OF THE FACILITIES IN THIS YEAR'S

PROGRAM FOR THESE NEW MISSIONS ARE SUPPORT FACILITIES SINCE MOST OF THE OPERATIONAL REQUIREMENTS WERE SATISFIED IN PRIOR YEARS.

EXISTING MISSIONS

THE NAVY'S PORTION OF THE $806 MILLION BEING REQUESTED THIS YEAR IN SUPPORT OF OUR EXISTING MISSIONS, IS REPRESENTED BY OUR ONGOING PROGRAMS IN SHIPYARD MODERNIZATION, WATERFRONT IMPROVEMENTS, AND NAVAL AIR REWORK FACILITIES UPGRADE. TWELVE PROJECTS, LOCATED AT 10 ACTIVITIES, IN THE AMOUNT OF $92 MILLION ARE IN THIS YEAR'S REQUEST TO PROVIDE NECESSARY WATERFRONT IMPROVEMENTS. ALMOST HALF OF THE REQUEST IS FOR A FUELING PIER AT NAVAL STATION KEFLAVIK, ICELAND. THIS PIER, WHICH IS PROGRAMMED AT $44.4 MILLION, WILL ENABLE OCEAN-GOING OIL TANKERS TO DELIVER JET FUELS DIRECTLY TO BULK STORAGE TANKS ADJACENT TO THE KEFLAVIK BASE AND INSURE RAPID, RELIABLE RESUPPLY OF FUEL FOR SUSTAINED OPERATIONS FROM THIS STRATEGIC BASE.

FOR SHIPYARD MODERNIZATION, WE ARE REQUESTING FUNDING THIS YEAR IN THE AMOUNT OF $118 MILLION FOR THE SECOND PHASE OF A STEAM PLANT PROJECT AT THE NORFOLK NAVAL SHIPYARD, PORTSMOUTH, VIRGINIA. THIS PROJECT WAS FULLY AUTHORIZED LAST YEAR IN THE AMOUNT OF $160 MILLION AND PARTIALLY FUNDED AT $33 MILLION. THIS YEAR'S FUNDING WILL ALLOW US TO CONTINUE WITH THE ACQUISITION OF THIS MODERN REFUSE DERIVED FUEL AND COAL FIRED STEAM PLANT WHICH, WHEN COMPLETED, WILL FULLY MEET THE NEEDS OF THE SHIPYARD, AS WELL AS PROVIDE CO-GENERATION OF ELECTRICAL POWER.

NAVAL AIR REWORK FACILITIES AT ALAMEDA, CALIFORNIA; CHERRY POINT, NORTH CAROLINA; JACKSONVILLE, FLORIDA; AND, NORFOLK, VIRGINIA ARE SUPPORTED BY SEVEN PROJECTS FOR $52 MILLION IN THIS YEAR'S PROGRAM THAT PROVIDE NEEDED IMPROVEMENTS IN SUPPORT OF EXISTING MISSIONS. THE $18.6 MILLION CORROSION CONTROL FACILITY AT ALAMEDA WILL PROVIDE AN ADEQUATE FACILITY CAPABLE OF MAINTAINING A CONTROLLED ENVIRONMENT FOR AIRCRAFT PAINT STRIPPING AND CORROSION BLAST - CLEANING. THE FACILITIES CURRENTLY BEING USED ARE SUBSTANDARD WITHOUT ADEQUATE ENVIRONMENTAL, POLLUTION AND DUST ABATEMENT CONTROLS. AT CHERRY POINT A $15.3 MILLION AUTOMATIC PLATING FACILITY WILL REPLACE EXISTING PLATING SHOPS WHICH ARE INEFFICIENT AND NOT IN COMPLIANCE WITH CURRENT OCCUPATIONAL AND ENVIRONMENT REQUIREMENTS.

QUALITY OF LIFE

INCLUDED IN THIS YEAR'S REQUEST TO SUPPORT BOTH NEW AND EXISTING MISSIONS IS $290 MILLION FOR QUALITY-OF-LIFE FACILITIES. CONTINUED SUPPORT OF THIS PROGRAM, WHICH PROVIDES FACILITIES SUCH AS UNACCOMPANIED PERSONNEL HOUSING; DINING FACILITIES; MEDICAL FACILITIES; AND MORALE, WELFARE AND RECREATION FACILITIES, IS ESSENTIAL FOR THE RETENTION OF NAVY AND MARINE CORPS PERSONNEL. NAVY AND MARINE CORPS DINING FACILITIES AND UNACCOMPANIED PERSONNEL SPACES CONSTITUTE $156 MILLION OF OUR QUALITY OF LIFE REQUEST. THE NAVY'S REQUEST OF $105 MILLION FOR 22 PROJECTS IS 55 PERCENT GREATER THAN THAT APPROVED LAST YEAR. THESE PROJECTS WILL PROVIDE US WITH 6,259 ADDITIONAL BERTHING SPACES FOR OUR ENLISTED PERSONNEL AND OFFICERS.

IN SUPPORT OF OUR MEDICAL PROGRAM, WE HAVE FIVE PROJECTS IN THE AMOUNT OF $55 MILLION. COMBINATION MEDICAL AND DENTAL CLINICS ARE BEING REQUESTED AT THE NAVAL SUPPORT ACTIVITY, HOLY LOCH, SCOTLAND AND THE MARINE CORPS AIR STATION, KANEOHE BAY, HAWAII. FOR THE CONSTRUCTION BATTALION CENTER, PORT HUENEME, CALIFORNIA, WE ARE REQUESTING A NEW DENTAL CLINIC TO REPLACE THE PRESENT WOOD-FRAME CLINIC CONSTRUCTED IN 1942. AN EXPANSION OF THE EXISTING HOSPITAL AT THE NAVAL SUBMARINE MEDICAL CENTER, NEW LONDON, CONNECTICUT AND THE CONVERSION AND MODERNIZATION OF THE HOSPITAL AT THE NATIONAL MEDICAL CENTER, BETHESDA, MARYLAND COMPLETES OUR REQUEST FOR MEDICAL FACILITIES.

THE NAVY IS CONTINUING ITS EFFORTS TO ENHANCE THE QUALITY OF LIFE OF ITS MEMBERS BY EXPANDING ITS CHILD CARE AND FAMILY SERVICES CENTERS PROGRAMS. THIS YEAR'S REQUEST INCLUDES SIX CHILD CARE CENTER PROJECTS IN

THE AMOUNT OF $6.2 MILLION, 18 FAMILY SERVICES CENTER PROJECTS IN THE AMOUNT OF $11.7 MILLION, AND ONE COMBINED CHILD CARE AND FAMILY SERVICE CENTER IN THE AMOUNT OF $1.8 MILLION. THE GROWING NUMBER OF WOMEN IN THE MILITARY, WORKING SPOUSES, SINGLE PARENTS, AND JOINT MILITARY PARENTS MANDATES THE PROVISION OF ADEQUATE AND SAFE CHILD CARE ON MILITARY INSTALLATIONS. IT IS ALSO APPARENT THAT THE ONE-STOP CONCEPT FOR ALL AID AND INFORMATION THAT IS PROVIDED BY OUR NAVY FAMILY SERVICES CENTERS HAS A STRONG POSITIVE IMPACT ON THE MORALE OF OUR MILITARY PERSONNEL AND THEIR FAMILIES. WE BELIEVE THAT THE QUALITY-OF-LIFE FACILITIES REQUESTED IN THE PROGRAM CONSTITUTE A SOUND INVESTMENT WHICH WILL BE AMORTIZED BY THE RETENTION OF KEY PERSONNEL. THIS IN TURN WILL HAVE A SIGNIFICANT POSITIVE IMPACT ON FLEET READINESS.

MAINTENANCE AND TRAINING FACILITIES

IN ORDER TO ENHANCE EQUIPMENT AND PERSONNEL READINESS, WE ARE CONTINUING A DYNAMIC PROGRAM TO PROVIDE NEW AND MODERNIZED MAINTENANCE AND TRAINING FACILITIES IN SUPPORT OF BOTH EXISTING AND NEW MISSIONS. EXCLUDING THE PREVIOUSLY-MENTIONED PROJECTS AT THE NAVAL AIR REWORK FACILITIES, THE NAVY HAS AN ADDITIONAL 26 PROJECTS IN THE AMOUNT OF $58 MILLION FOR MAINTENANCE FACILITIES IN THIS YEAR'S PROGRAM. THESE PROJECTS PROVIDE MODERN FACILITIES IN SUPPORT OF AIRCRAFT, MISSILE, TORPEDO, ELECTRONICS, COMMUNICATIONS, GROUND SUPPORT EQUIPMENT AND AMPHIBIOUS AND AUTOMOTIVE VEHICLE MAINTENANCE. FOR TRAINING FACILITIES, WE HAVE 17 PROJECTS IN THE AMOUNT OF $71 MILLION IN THE PROGRAM. EIGHT OF THE PROJECTS IN THE AMOUNT OF $34 MILLION ARE FOR APPLIED INSTRUCTION BUILDINGS, EIGHT IN THE AMOUNT OF $36 MILLION ARE FOR OPERATIONAL TRAINER FACILITIES AND ONE IN THE AMOUNT OF $1 MILLION IS FOR ACADEMIC INSTRUCTION BUILDING ALTERATIONS.

FAMILY HOUSING

OUR TOTAL REQUEST THIS YEAR FOR FAMILY HOUSING IS $704 MILLION IN NEW OBLIGATIONAL AUTHORITY. THE PROGRAM REPRESENTS A BALANCE AMONG ACQUISITION, COST OF OWNERSHIP, HABITABILITY IMPROVEMENTS, MAINTENANCE AND REPAIR, AND ENERGY CONSERVATION INVESTMENT FORMULATED TO PROVIDE THE MAXIMUM BALANCED BENEFIT TO MILITARY FAMILIES.

FUNDS REQUESTED FOR NEW CONSTRUCTION AND ACQUISITION OF FAMILY HOUSING ($98 MILLION) WILL PERMIT THE CONSTRUCTION OF 730 UNITS AT THE MARINE CORPS AIR STATION, EL TORO, CALIFORNIA; MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA; NAVAL PUBLIC WORKS CENTER, SUBIC BAY, PHILLIPINES, AND THE ACQUISITION OF 339 UNITS AT THE NAVAL SUPPORT OFFICE, LA MADDALENA, ITALY, AND NAVAL AIR STATION, SIGONELLA, ITALY.

THE FISCAL YEAR 1984 POST ACQUISITION PROGRAM INCLUDES $9.3 MILLION FOR HABITABILITY ENHANCING IMPROVEMENTS TO EXISTING FAMILY HOUSING UNITS AND $3.9 MILLION FOR THE CONTINUATION OF OUR ENERGY CONSERVATION INVESTMENT RETROFIT EFFORTS. FUNDS IN THE AMOUNT OF $7.4 MILLION ARE REQUESTED FOR ARCHITECTURAL, ENGINEERING, AND CONSTRUCTION DESIGN SERVICES.

THE $585 MILLION REQUESTED FOR FAMILY HOUSING SUPPORT WILL PROVIDE FOR OPERATION AND MAINTENANCE, LEASING, AND DEBT PAYMENTS FOR THE NAVY AND MARINE CORPS IN FISCAL YEAR 1984. THE OPERATIONS REQUEST OF $247 MILLION IS HEAVILY INFLUENCED BY UTILITIES WHICH COMPRISE OVER 65 PERCENT OF THE OPERATING REQUIREMENT. FUNDS IN THE AMOUNT OF $289 MILLION FOR MAINTENANCE WILL PROVIDE FOR ROUTINE MAINTENANCE, IMPROVEMENT OF OCCUPANCY REQUIREMENTS, AND REDUCTION OF MAINTENANCE BACKLOG. FUNDS IN THE AMOUNT OF $18.2 MILLION FOR LEASING AND $31.6 MILLION FOR DEBT PAYMENTS COMPLETE OUR FAMILY HOUSING REQUEST.

SUMMARY CONCLUSION

I BELIEVE WE HAVE PROPOSED A PROGRAM THAT PLACES HIGH PRIORITY ON READINESS AND SUSTAINABILITY OF OUR FORCES AND INSURES A TIMELY RESPONSE TO THE NEEDS OF NEW WEAPONS SYSTEMS NOW BEING INTRODUCED TO MODERNIZE THE FORCES. EACH OF THE PROJECTS IN THIS BUDGET REQUEST HAS SURVIVED THE

CLOSEST SCRUTINY OF ITS COST OF OWNERSHIP AND ITS CONTRIBUTION TO THE MISSIONS OF THE NAVY AND MARINE CORPS. WE URGE YOUR FAVORABLE CONSIDERATION OF THE NAVY'S FISCAL YEAR 1984 MILITARY CONSTRUCTION BUDGET REQUEST.

FISCAL YEAR 1984 MILITARY CONSTRUCTION PROGRAM
APPROPRIATION SUMMARY BY MAJOR CLAIMANT

(DOLLARS IN THOUSANDS)

Major Command	Budget Request	% of Program	Pollution Abate.
Inside the United States			
Marine Corps	$ 152.450	11.3	$ .920
Chief of Naval Operations	10.620	.8	
Commander in Chief, Atlantic Fleet	138.090	10.3	
Commander in Chief, Pacific Fleet	112.515	8.3	1.950
Chief of Naval Education & Training	96.240	7.2	9.910
Bureau of Medicine & Surgery	60.540	4.5	
Naval Material Command	411.210	30.6	8.490
Naval Oceanography Command	13.300	.9	
Naval Telecommunications Command	1.690	.2	
Naval Security Group Command	10.890	.8	
Subtotal	$1.007.545	74.9	$(21.270)
Outside the United States			
Marine Corps	$ .750	.1	
Commander in Chief, Atlantic Fleet	67.465	5.0	
Commander in Chief, Pacific Fleet	65.800	4.8	
Naval Forces Europe	47.780	3.5	
Naval Oceanography Command	.980	.1	
Naval Telecommunications Command	10.210	.8	
Naval Security Group Command	1.700	.2	
Host Nation Infrastructure Support	2.970	.3	
Subtotal	$ 197.655	14.8	$(21.270)
Total	$1.205.200	89.7	$(21.270)
Unspecified Minor Construction	$ 22.000	1.6	
Architectural & Engineering Services & Construction Design	115.600	8.6	
Access Roads	.900	.1	
GRAND TOTAL	$1.343.700	100.0	

SUMMARY OF FY 1984 FAMILY HOUSING APPROPRIATION

Installation and Project		Requested Amount ($000)
Construction		
New Construction		
MCAS, El Toro, CA	130 units	11.666
MCB, Camp Pendleton, CA	300 units	23.160
NSO, La Maddalena, IT	134 units	14.000
NAS, Sigonella, IT	205 units	20.000
NPWC, Subic Bay, RP	300 units	29.300
	Total	98.126
Construction Improvements		13.240
Planning		7.240
Total Construction		118.761
Operations		
Management		38.327
Services		29.992
Utilities		161.498
Furnishings		16.698
Miscellaneous		93
Total Operations		246.608
Leasing		18.212
Maintenance		288.652
Interest Payments		2.832
Mortgage Insurance Premiums		.679
TOA, Navy Family Housing		675.744
Receipts		(11.456)
Debt Reduction		28.133
Total Appropriations Navy Family Housing		703.877

FISCAL YEAR 1984 MILITARY CONSTRUCTION PROGRAM APPROPRIATION SUMMARY BY FACILITIES CATEGORIES

NAVY

(DOLLARS IN THOUSANDS)

Description	
Operational	320.287
Training	82.040
Maintenance & Production	156.930
R&D	115.515
Supply	20.470
Medical	58.450
Administrative	36.700
Troop Hsg	156.535
Community	36.065
Utilities	172.923
Real Estate	28.015
Supporting Act	.900
WPA	21.270
Unspecified Minor	22.000
Arch & Engineering	115.600
Subtotal	1,343.700

Rear Admiral William M. Zobel
Civil Engineer Corps, U. S. Navy

Born July 20, 1929, Rear Admiral William Marshall Zobel is the son of Captain W. A. Zobel, Civil Engineer Corps, USN (Retired) and Ruth (Marshall) Zobel. He is a graduate of the U. S. Naval Academy, Class of '52, and was commissioned Ensign on June 6, 1952.

His first tour of duty was as Fire Control Division officer in the USS Worcester. He entered Rensselaer Polytechnic Institute, Troy, N. Y., in March 1954 and graduated in September 1955 with a Bachelor of Science Degree in Civil Engineering. His first tour of duty with the Civil Engineer Corps was at Naval Air Station, Cecil Field, Florida. He then transferred to the Marine Corps Supply Center, Albany, Georgia. In 1959 he became the Operations Officer for Naval Mobile Construction Battalion FIVE, assisting with the construction of Navy and Marine Corps facilities on Guam and Okinawa.

Rear Admiral Zobel earned a Master of Science Degree in Physics, specializing in Nuclear Engineering, from the Naval Postgraduate School in Monterey, California, in 1963.

He subsequently served as Officer in Charge of the Navy's Nuclear Power Unit, Fort Belvoir, Virginia, and Public Works Officer at Naval Air Station, Oceana, Virginia Beach, Virginia.

In 1967 he was assigned to the Headquarters, Naval Facilities Engineering Command, Alexandria, Virginia, to direct the technical division giving support to primary witnesses during Congressional hearings on military construction. In June 1970, he was transferred to Vietnam as Chief of Staff, Third Naval Construction Brigade. Rear Admiral Zobel then assumed command of the 32nd Naval Construction Regiment and in 1971 became Commanding Officer of the Construction Battalion Center, Gulfport, Mississippi, and Commander of the 20th Naval Construction Regiment.

From 1973 to 1975 he served as Head of the Program Appraisal and Information Branch of the Office of the Chief of Naval Operations and Deputy Director, Department of the Navy, Program Information Center in Washington, D. C. He then became Commanding Officer of the Navy Public Works Center, Norfolk, Virginia. In 1977 he returned to Washington as Director, Construction Operation and Facilities Management Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics).

Rear Admiral Zobel became the Vice Commander, Naval Facilities Engineering Command/Deputy Chief of Civil Engineers on December 1, 1978. He became Commander, Naval Facilities Engineering Command/Chief of Civil Engineers on January 15, 1981.

He is married to the former Mary K. Counts of Charleston, S. C. and has three sons. He holds memberships in Tau Beta Pi, Chi Epsilon and Sigma Xi, and is a registered Professional Engineer in the state of Massachusetts.

His medals include the Defense Superior Service Medal, the Legion of Merit with Combat V, three Meritorious Service Medals, and the Meritorious Unit Commendation. He also wears the following campaign and service medals: Antarctic Service, European Occupation, National Defense with Star, Expert Pistol, Vietnam Service, Vietnam Campaign and Vietnamese Civic Action.

U.S. MARINE CORPS

STATEMENT OF BRIG. GEN. L. H. BUEHL, U.S. MARINE CORPS, DIRECTOR, FACILITIES AND SERVICES DIVISION, INSTALLATIONS AND LOGISTICS DEPARTMENT, HEADQUARTERS, U.S. MARINE CORPS

ACCOMPANIED BY MAJ. R. G. LARSON, U.S. MARINE CORPS, PROJECT OFFICER, PROGRAMMING UNIT, FACILITIES PLANNING AND PROGRAMMING SECTION, FACILITIES AND SERVICES DIVISION, HEADQUARTERS, U.S. MARINE CORPS

BUDGET REQUEST

Senator MATTINGLY. General, would you like to proceed?

General BUEHL. Mr. Chairman, I am happy to have the opportunity to present the Marine Corps program for fiscal year 1984. This year the Marine Corps authorization request is for $152 million and for comparison purposes last year, in the fiscal 1983 program, we asked for and the appropriation was for $174 million.

With your approval also, sir, I will put my formal statement in the record and just kind of summarize quickly, if that is all right.

Senator MATTINGLY. Without objection.

General BUEHL. As in the past, the Marine Corps has continued to stress quality-of-life projects in support of our individual Marines. This was pretty much evidenced by our request for $51.1 million for eight projects to provide adequate living and dining facilities.

We are also requesting, sir, $36.8 million for the construction of eight operational and training facilities. We are requesting $49 million for 12 projects to provide new maintenance facilities, and this year's program includes a request for $3.2 million to provide for an amphibious vehicle test center; $1.4 million for a cold-storage facility, and $6.4 million for a data processing center.

There is also in the program for this year a request for $39 million to provide living spaces for 2,608 unaccompanied enlisted Marines.

Additionally, we are requesting authorization for six projects at five Marine Corps activities, for the construction or improvement of four dining facilities; a physical fitness center, sir, and for utility improvements. The total request in these categories is $15.3 million.

Mr. chairman, this concludes my very brief overview of the fiscal year 1984 Marine Corps military construction request, and I will be very happy to answer any questions that you might have, sir.

[The prepared statement of Brig. Gen. L. H. Buehl follows:]

Prepared Statement of Brig. Gen. L. H. Buehl

DIRECTOR, FACILITIES AND SERVICES DIVISION

OFFICE OF THE DEPUTY CHIEF OF STAFF

(INSTALLATIONS AND LOGISTICS)

U.S. MARINE CORPS

Mr. Chairman, and members of the Committee: I appreciate the opportunity to present the Marine Corps fiscal year 1984 military construction program.

This year, the Marine Corps appropriation request is $152,005,000. For comparison, the fiscal year 1983 appropriation was $174.3 million. We still have a long way to go before the Marine Corps construction will be satisfied and even have a ways to go before the annual growth of the backlog will be contained.

The past support this Committee has given to our appropriation requests is appreciated by all Marines. We earnestly solicit your continued support.

As in the past, the Marine Corps continues to stress quality of life projects in support of the individual Marine, as evidenced by our request for $51.1 million for projects to provide adequate living and dining facilities. However, in recognition of the fact that the Marine spends more waking hours in his work place than in his living quarters, we are increasing our emphasis on the replacement of antiquated operational, training and maintenance facilities.

We are requesting $36.8 million for the construction of operational and training facilities at seven Marine Corps activities. These projects which are predominantly in support of readiness will provide facilities such as armories; a radar air traffic control center; a recruit processing facility; airfield pavement improvements; and an ordnance handling pad, as well as an aircraft rinse facility and tactical support van pads.

$49 million is requested for twelve projects at seven Marine Corps activities to provide new maintenance facilities, again, predominantly in support of readiness. Three of the projects will support aircraft maintenance at Marine Corps air stations at Beaufort, South Carolina and El Toro, California.

This year's program includes a request for $3.2 million for an amphibious vehicle test center at Marine Corps Base, Camp Pendleton. This project will test amphibians for all services.

Also included is a request for $1.4 million for a cold storage facility at Marine Corps Air Ground Combat Center, Twentynine Palms, California.

This request also includes a data processing center project for $6.4 million at Marine Corps Base, Camp Pendleton, California.

In the category of unaccompanied personnel housing, this year's request as stated earlier continues to reflect the Commandant's policy of providing maximum adequate living spaces within available financial resources. $39.9 million is requested in fiscal year 1984 to provide living spaces for 2,608 unaccompanied enlisted Marines. After we finish our fiscal year 1984 program, we will have a deficit of 43,105 spaces remaining, out of a total requirement of 112,056 enlisted spaces.

We are requesting appropriations for four projects at three Marine Corps activities for the construction or improvement of four dining facilities. The total request in this category is $11.2 million. And finally, we are requesting $1.2 million for a physical fitness center at Camp Elmore, Norfolk, Virginia, and $3.0 million for utility improvements at Marine Corps Base, Camp Lejeune, North Carolina.

Mr. Chairman, this concludes the overview of the fiscal year 1984 Marine Corps military construction request. I will be happy to answer any of the Committee's questions.

BRIGADIER GENERAL LOUIS H. BUEHL III
UNITED STATES MARINE CORPS

Brigadier General Louis H. Buehl III is the Director, Facilities and Services Division, Installations and Logistics Department, Headquarters Marine Corps, Washington, D. C.

General Buehl was born on September 18, 1932 in Pittsburg, Pa., and graduated from Miami University, Oxford, Ohio in 1954 with a B.S. degree in Business Administration. He also holds a master's degree in Asian Studies from the University of Michigan (1968), and has completed postgraduate studies in Chinese Affairs and Politics from Brown University (1969). Upon completion of the NROTC program, he was commissioned a second lieutenant in the Marine Corps on June 7, 1954.

After commissioning, he was assigned to the 1st Infantry Battalion, Marine Corps Test Unit #1, Camp Pendleton, California, where he served as a platoon commander and, subsequently, as a staff officer. During February 1957, he transferred to Camp Butler, Okinawa, where he performed duties principally related to the acquisition of land for use as training areas and permanent camp sites for the 3d Marine Division.

Returning to the United States in September 1958, General Buehl reported to the Marine Corps Recruit Depot, San Diego, Calif., where he served initially as a series commander and legal officer in the 2d Recruit Training Battalion for a year; then Aide-de-Camp to the commanding general. While there he was promoted to captain in May 1959. In July 1961, he transferred to Hawaii for a three-year tour with the 3d Battalion, 4th Marines, serving as an infantry company commander, operations officer, logistics officer, and battalion executive officer, respectively.

After three years in Hawaii, General Buehl returned to the Far East for duty as Staff Secretary of the 1st Marine Aircraft Wing. In February 1964 he became Staff Secretary of the 9th Marine Expeditionary Brigade in the Republic of Vietnam. Subsequently, he was designated Staff Secretary, III MAF, until his departure in August 1965.

Returning from overseas he reported to the Commanding Officer, NROTC unit at the University of Michigan, where he served on the staff as a Marine Officer Instructor in the Department of Naval Science. While on this assignment he was promoted to major in November 1965. During academic year 1968-69, General Buehl was a student at the Naval War College, Newport, R.I. Upon successful completion of instruction, he was transferred to the 5th Marine Division, later redesignated as the 5th Marine Expeditionary Brigade, serving as the training officer until May 1970. He was promoted to lieutenant colonel in August 1969.

Transferred again to Vietnam, General Buehl was assigned to the staff of the Commander, Naval Forces Vietnam. During his tour, he served as the Force Amphibious Operations Officer; Force Combat Support Officer; Ground Operations Officer, TF 194.0 for cross border operations in Cambodia; Force Operations Officer; and the Assistant Chief of Staff for Operations (N-3), NAVFORV.

In May 1971, General Buehl reported to Headquarters Marine Corps, Washington, D. C., for duty as Head of the Ground Officer and Colonel Assignment Administration Section in the Personnel Department. He remained in this position until detached in May 1974 for duty with the 2d Battalion, 8th Marines, Camp Lejeune, N.C. As Commanding Officer, the battalion constituted the nucleus of BLT 2/8 which was deployed to the Mediterranean with the Sixth Fleet in August 1974.

Returning to the U.S. in March 1975, General Buehl relinquished command of the battalion in July 1975 in order to attend the Air War College at Maxwell Air Force Base, Alabama. Upon completion he transferred to Headquarters, U.S. Forces, Japan, where he assumed duties as Deputy Chief of Staff and Secretary Joint Staff in August 1976. The following month he was promoted to colonel.

In July 1979, he returned to Hawaii for duty as Chief of Staff, Fleet Marine Force, Pacific. He assumed duty as Commanding Officer, 3d Marine Regiment (Rein), 1st Marine Brigade, Kaneohe Bay, Hawaii, in July 1980. While serving in this capacity, he was selected in February 1982 for promotion to brigadier general. He was advanced to that grade on April 18, 1982 and assumed duty as the Commanding General, 1st Marine Brigade, Fleet Marine Force, Pacific, Kaneohe Bay, Hawaii. He relinquished command on June 18, and assumed his current assignment on July 6, 1982.

General Buehl's personal decorations include the Defense Superior Service Medal, the Legion of Merit with Combat "V", the Bronze Star Medal with Combat "V", and the Navy Commendation Medal with Combat "V".

Brigadier General Buehl and his wife, the former Georgia Warwick of Oxford, Ohio, have four daughters, the oldest is a medical student at UCLA.

REQUIREMENTS BACKLOG

Senator MATTINGLY. Your briefness may be a record. I will address the questions to both of you today.

What do you estimate the backlog is for the MILCON requirements for the Navy and the Marine Corps?

Admiral ZOBEL. The Navy's backlog is estimated to be $15 billion. The Marine Corps reports that theirs is about $3.4 billion. The backlog for family housing is about $.8 billion.

Senator MATTINGLY. Is it increasing or decreasing now?

Admiral ZOBEL. It is increasing, sir. As a matter of fact, Navy's last year was $12.6 billion. It has gone up to $15.3 billion. The Marine Corps' was $3.3 billion and has gone up to $3.4 billion. Family housing has gone down slightly.

Senator MATTINGLY. How about in the outyears, is it going to decrease out there?

Admiral ZOBEL. It all depends on the size of the programs as we go through each year. It has had a trend of increasing. We have not been able to force it down.

Senator MATTINGLY. Do they have any master plan for trying to get it down?

Admiral ZOBEL. I think the best master plan I can think of would be to have more MILCON each year. But in the overall priorities of the budget we simply have not been able to get more in MILCON funding.

Senator MATTINGLY. I know that the Navy's request this year for construction shows just a slight increase over last year's appropriation. The family housing account really shows a decrease. The Marine request, I think, also shows a decrease from last year's.

General BUEHL. Yes, sir; that is correct.

Senator MATTINGLY. Does this represent a decision within the Navy Department, the deferring of MILCON in favor of other programs?

Admiral ZOBEL. Let me speak to the Navy, first. If you look back to fiscal year 1982, we had a $1.45 billion program as compared to this year's $1.34 billion. So, we were a little larger in 1982 than we are this year. In 1983 we had a $1.08 billion program as compared to this year's $1.34. So, you can see that it is fluctuating up and down but it is staying at just about the same order of magnitude for the Navy.

Senator **Mattingly**. General?

General **Buehl**. No; we always can use more money; there is no question about it. I would be the last one to deny that.

Last year our program was about $20 million greater than what we are requesting this year. We envisioned in our program submission a larger amount of money but because of program budget decision actions by the Defense Department, there was a reduction of several projects.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

NAVY AND MARINE CORPS MILITARY CONSTRUCTION PROGRAM

Question. Admiral Zobel, do you envision larger military construction requests for the Navy in the next few years?

Answer. The current Five-Year Defense Program contains a Navy military construction program for fiscal years 1985 and 1986 which is larger than this year's request. However, whether or not those program levels survive the budgeting process remains to be seen.

GENERAL

The Marine Corps five year military construction program reflects anticipated increases in facility requirements.

PERSONNEL HOUSING

Question. General Buehl, I understand that for several years in the recent past, the Marines under direction from your Commandant, focused much of your construction program on personnel housing—barracks, if you will. This year again, your program in this area is sizeable at $39.9 million to provide adequate living space for 2,608 Marines. I assume from your statement that the emphasis is now being focused on the work place, as much or more than the living facilities. In light of your decreased request this year, do you still intend to dispose of your deficit of personnel housing in a 10-year period?

Answer. Yes. Based on current programming, the Marine Corps will continue to stress quality-of-life projects in support of our individual Marines and propose to eliminate our personnel housing deficit in eight to ten years. Future programming will emphasize both work place and personnel housing facilities.

AMPHIBIOUS VEHICLE TEST CENTER, CAMP PENDLETON, CALIF.

Senator **Mattingly**. What is involved in the project on the Amphibious Vehicle Test Center at Camp Pendleton?

General **Buehl**. Yes, sir. I was just out there recently. We have a building that was basically built in the 1942, 1943 era. It serves the purpose of the single amphibious vehicle test laboratory, for all of the services.

The replacement facility will be state of the art to enable us to continue with the responsibility to develop amphibious vehicles.

As you recall, the P-7 is our latest family of vehicles, where we have extended the life for about 11 years, I understand. But nevertheless, we have continued to have the responsibility for developmental work on amphibious tractors.

Senator MATTINGLY. How about at Bridgeport?

MOUNTAIN WARFARE TRAINING CENTER

General BUEHL. Sir, this is our Mountain Warfare Training Center and the needs there are considerable, since that most of the construction up there is Korean-war vintage. Of all the places that I can think of where the facilities are the most humble, I would say Bridgeport certainly meets that criteria. There is a great need for that kind of facility.

CORPS BASING

Senator MATTINGLY. What are the most pressing needs, overall, of basing the corps?

General BUEHL. I think that our emphasis on UEPH's, the housing of Marines in terms of the quality of life, has been and will continue to be probably one of the major elements of our request.

But beyond that the commandant has said recently that our Marines spend most of their day where they work. As a consequence, we are looking very hard in the future programs for better maintenance facilities, as an example, to increase the quality of work spaces which goes along with this quality of life.

So, I would think that would also be a major thrust as well. New missions will determine the kinds of projects that we will ask for in the future. New projects would be developed because of new operational characteristics of equipment, whether it would be standing up of new aircraft, the F-18 as an example, or the LAV which is now being manufactured.

Senator MATTINGLY. If you are going out looking for an architect we will promise not to give you the one that we used on the Hart Building. [Laughter.]

FALLON NAVAL AIR STATION PROJECT, NEV.

Admiral Zobel, last year you testified about the geothermal energy project for Fallon Naval Air Station in Nevada. What is the status of that project now, and are there further plans for it?

Admiral ZOBEL. We put that out for bids, sir. As a matter of fact, we have now received bids and they have been questioned by one of the bidders and are currently under protest to GAO. We are waiting either a determinaiton from GAO or some other circumstance which may require us to make award or take another action.

The low bidder has extended his bid since this protest has been in front of GAO. We understand, though, that he has come to a point in his financing where he needs to have a decision. So, I think by the end of this month he is going to say, "No more."

So, we either have to make an award then or do something different. We are not moving along very intelligently but through no fault of our own right now.

Senator MATTINGLY. Is it GAO?

Admiral ZOBEL. Well, they have a number of things, of course, that they have to look at. I cannot say they are necessarily being too slow. It is just unfortunate this situation of a protest came up which has slowed us down.

UNACCOMPANIED PERSONNEL HOUSING

Senator **Mattingly**. What is your deficit going to be on unaccompanied personnel housing? I think you had made reference to some 22 projects for $105 million.

Admiral **Zobel**. We have about a 50,000-space backlog for both enlisted and officers. This year's funding will take care of about 6,300 of those spaces out of a 50,000-space backlog. Of course, the Marine Corps has about the same—about a 49,000-space backlog.

OVERSEAS CONSTRUCTION

Senator **Mattingly**. Just give me a brief review of your overseas construction, at least the highlights of it. You can address it or put it into the record.

Admiral **Zobel**. If you look first at Europe and Iceland, our 1984 request is $152 million. That compares with an 1983 MILCON request for Europe of $56 million and an 1982 MILCON request for $34 million. So, as you can see, it is considerably larger this year, albeit, it is still a small part of the program.

Senator **Mattingly**. Do any of those projects use NATO infrastructure funding, any of them that you have?

Admiral **Zobel**. This is not a piece of NATO infrastructure funding. However, we have some conjunctive funding.

Senator **Mattingly**. Is Sigonella one of those?

Admiral **Zobel**. Are any of them in Sigonella? The only thing that we have that is prefinanced—we are asking for prefinancing—is in Keflavik. So, as far as Sigonella is concerned, there is no prefinancing there.

Navy and Marine Corps Military Construction Program

In Iceland, the combined operations center is a conjunctively funded project. The $4.65 million in this request represents only about 30 percent of the total cost, the remainder of which is being funded by NATO. Also, prefinancing is being requested for the general warehouse, which is fully eligible for NATO funding, for $4.18 million and the fueling pier, 50 percent eligible for NATO funding, for $44.4 million.

PREFINANCED PROJECTS

Senator **Mattingly**. Do you have any prefinanced projects that we are still waiting to get repaid on from NATO?

Admiral **Zobel**. Yes, sir. We have about $2.7 million as yet not collected.

Senator **Mattingly**. You may be waiting a while.

Admiral **Zobel**. That is relatively small. We have had pretty good success, albeit, we have not had a very large number of prefinanced projects in the past. Our request this year for the fueling pier at Keflavik is a significant increase in that, and we think it is well justified.

DIEGO GARCIA COMPLETION

Senator **Mattingly**. When do you expect a completion of Diego Garcia?

Admiral **Zobel**. Final completion?

Senator **Mattingly**. Yes.

Admiral ZOBEL. I would say that is like any other base that we may have in the world, there are continuing requirements.

Senator MATTINGLY. How about just for the completion of the program for facilities out there?

Admiral ZOBEL. I would say the large program should be completed in 1986. Certainly, a large part of the program already has been authorized and funded and there is some more in this year's program as you know, about $35 million. Then, as you look into the future, I would say that the bulk of the program would be taken care of in 1985 and 1986.

Senator MATTINGLY. How about in other areas out in the Indian Ocean or Persian Gulf, are there any future requirements coming up?

Admiral ZOBEL. As you know, we have had some requirements in the area close to the Persian Gulf, in Somalia and Kenya. I know of no further requirements there. We also had some that the Army has taken care of on the Island of Masirah off Oman. But the bulk of our work here as far as we know is completed or has already been requested.

CHARLESTON NAVAL STATION BERTHING PIER

Senator MATTINGLY. We noticed that there is a request in there for a project for a new berthing pier at Charleston, at the Naval Station there. We understood that was sort of unique and it was a two-tier pier.

Admiral ZOBEL. Yes, sir.

Senator MATTINGLY. Is that a new idea?

Admiral ZOBEL. It is. It is one of our new initiatives. It is a pier that will be able to be used for everything except aircraft carriers and submarines—submarines being too low in the water and aircraft carriers being too high. It is a double-deck pier. The lower deck will essentially take care of all of the utilities lines.

If you have been to our piers in Norfolk and other areas you have noticed a large snaking of utility lines that cover the pier, either to take off sewage from the holding tanks on board or to provided power to the ships. That lower deck will take care of the utility lines. The upper deck, then, will be used for loading personnel and supplies, materials, and doing other work that has to be done on board ship.

Senator MATTINGLY. Are you going to build more of those?

Admiral ZOBEL. We would expect to, yes, sir, where it meets the criteria.

BREMERTON, WASH., STEAM PLANT

Senator MATTINGLY. Last year the committee had deferred without prejudice a sizable project for a steam plant in Bremerton, Wash. It was deferred because of technical problems. Since the funding request is not in fiscal year 1984, could you sort of make us a bit more aware of what is going on there?

Admiral ZOBEL. Yes, sir. As you know, last year our schedule was delayed because of equipment procurement difficulties resulting from several protests. We are just now making awards for the initial equipment that will go into that plant.

The $37 million in fiscal year 1982 and $25 million that was provided last year was adequate to take care of that. We have an additional $88 million that will probably be in next year's program. That will all be within the original authorization.

Senator **Mattingly**. Do you have many projects left in regard to the F-18 and the AEGIS, the LAMPS III helicopter now?

Admiral **Zobel**. We have a number of them in this request. Let me let Mr. Murphy speak to that.

Mr. **Murphy**. In this year's program we are requesting some AEGIS support facilities at Dahlgren, Va.; at Cecil Field, Fla., where we are going to bring in the F-18, as well as at Lemoore, Calif. we have a construction request for some of our newer weapons projects.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

F-18

Question. What is included in the Fiscal Year 1984 request for construction associated with the Navy aircraft F-18 Hornet? How will these funds be utilized?

Answer. The Fiscal Year 1984 request includes the following Department of the Navy projects for the F/A-18 aircraft:

	Thousands
Naval Air Station, Cecil Field, Fla.:	
Warehouse Addition	$2,700
Maintenance Hangar	7,500
Engine Test Cell Modifications	1,180
Waste Treatment Plant Addition	1,780
Operational Trainer Facility	4,000
Naval Air Station, Lemoore, Calif.:	
Inert Storehouse	900
Ordnance Operations Building	1,400
Unaccompanied Enlisted Personnel Housing	6,040
Applied Instruction Building	5,390
Telephone Exchange Building	740
Airfield Pavements Improvements	4,500
Marine Corps Air Station, Beaufort, S.C.:	
Maintenance Hangar Modernization	1,390
Tactical Support Van Pads	1,110
Aircraft Support Facilities	1,030

These projects will materially enhance the support capabilities of these locations for the F/A-18.

Question. What additional requirements are programmed for the F-18 in each of the next five fiscal years?

Answer. The following projects are currently in the Department of the Navy's Five Year Defense Plan (FYDP) for F/A-18 support:

	Thousands
Fiscal year 1985:	
Naval Air Station, Cubi Point, Philippines: Maintenance Hangar	$14,000
Naval Station, Rota, Spain: Engine Maintenance Shop	4,540
Marine Corps Air Station, Beaufort, S.C.: Operational Trainer Facility	3,410
Marine Corps Air Station, Iwakuni, Japan:	
Van Pads	7,100
Engine Maintenance Shop	2,850
Marine Corps Air Station, El Toro, Calif.: Communications Conduit	990
Fiscal year 1986:	
Naval Air Station, Lemoore, Calif.: Engine Test Cell	3,960
Marine Corps Air Station, El Toro, Calif.: Maintenance Hangar Addition	1,150
Fiscal year 1987:	
Naval Air Station, Cecil Field, Fla.: Operational Trainer Facility	5,550
Naval Air Station, Lemoore, Calif.: Battery Shop	740
Marine Corps Air Station, Iwakuni, Japan: Operational Trainer Facility	4,310

	Thousands
Fiscal year 1988:	
Naval Air Station, Lemoore, Calif.: Operational Trainer Facility	2,980

There are some additional projects planned in support of the F/A-18, but which are not in the FYDP. The need for these projects is subject to review and validation.

Question. Provide for the record a description of military construction funding which has been provided for F-18 deployment to date.

Answer. The following projects have been funded by Department of the Navy for the F/A-18:

	Thousands
Fiscal year 1980:	
Naval Air Station, Lemoore, Calif.:	
Operational Trainer Facility	$3,300
Applied Instruction Building	3,000
Fiscal year 1981:	
Naval Air Station, Cecil Field, Fla.:	
Maintenance Hanger	12,200
Operational Trainer Facility	4,800
Applied Instruction Building	4,700
Naval Air Station, Lemore, Calif.: Avionics Shop	1,050
Fiscal year 1982:	
Marine Corps Air Station, El Toro, Calif.:	
Operational Trainer Facility	3,350
Engine Maintenance Shop Modernization	2,300
Warehouse	1,750
Fiscal year 1983:	
Naval Air Station, Cecil Field, Fla.: Aircraft Maintenance Facilities	2,500
Naval Air Station, Cubi Point, Philippines: Engine Maintenance Shop Addition	1,300
Naval Air Station, Lemoore, Calif.:	
Airframes Shop	3,400
Operational Trainer Facility	5,600
Naval Air Rework Facility, North Island, Calif.: Manufacture/Repair Shop	18,500
Marine Corps Air Station, Iwakuni, Japan: Engine Maintenance Shop	1,350

NEW NAVY SYSTEMS

Senator MATTINGLY. What other new systems not included in the TRIDENT will be introduced by the Navy in future years for which you are going to have overriding construction requirements?

Admiral ZOBEL. Some of the things that I can think of, one of which is being introduced this year, is the landing craft air-cushion vehicle complex at Camp Pendleton. We will also have a similar site at Little Creek, Va., which will take care of the east coast, for that same vehicle.

I think, as you know, that is an air-cushioned vehicle that can move both on water and on land and will transport the Marines, the landing force, very rapidly from ships that could be over the horizon to the shore.

This year's request is for maintenance and storage buildings and other buildings, as well as ramps so that the vehicles can actually move ashore.

There is a new DDG-51 that will be coming along that will require pier space and cold iron. But, it will be similar to other ships that we have, just newer more modern and it will replace some of the older ships.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

NAVY/MARINE CORPS MILITARY CONSTRUCTION

Question. A pier in Guam is included in this program for $22.3 million. This ammunition wharf, as I believe is the official designation, has been considered before. Also, there is always some discussion of underutilized facilities at Guam. Can you tell the Subcommittee a little about this project?

Answer. The existing ammunition wharf casts an explosive arc which encompasses the commercial port of Guam. Navy has resisted the expansion of the commercial port until the hazard could be removed. In the past, the high cost of the replacement pier and the infrequent need to handle ammunition during peacetime kept the project from being included in the Navy's military construction request. Now, considerable operational benefits and better utilization of facilities at Guam can be gained by homeporting an ammunition ship at the Naval Magazine. Homeporting of the ship is dependent on construction of the pier. Therefore construction of the pier will eliminate a serious safety hazard as well as allow for the homeporting of an ammunition ship at Guam.

MEDICAL FACILITIES

Question. In the area of medical facilities, your budget requests $55 million for five individual projects including the next phase of construction for the Medical Center at Bethesda. What other major hospital projects can we expect to see in the next two fiscal years?

Answer. Major medical construction projects tentatively planned for fiscal year 1985 and 1986 include:

Answer. Major medical construction projects tentatively planned for fiscal year 1985 and 1986 include:

Naval Regional Medical Center, San Diego, California, hospital equipment, $28,600,000.

Naval Hospital Rota, Spain, hospital, $20,000,000.

Naval Regional Medical Center, Oakland, California, hospital modification, $33,000,000.

Naval Hospital Whidbey Island, Washington, hospital clinic, $14,000,000.

Naval Regional medical Center, Long Beach, California, dispensary, $7,000,000.

Naval Regional Medical Center, Philadelphia, Pennsylvania, hospital, $35,000,000.

Naval Hospital, Annapolis, Maryland, medical clinic, $20,000,000.

Naval Regional Medical Center, Jacksonville, Florida, clinic addition, $9,500,000.

Aerospace Regional Medical Center, Pensacola, Florida, clinic, $9,700,000.

FAMILY SERVICE CENTERS

Senator MATTINGLY. Your budget includes $11.7 million for 18 family service centers. I think that last year you testified that the fiscal year 1983 program would complete the requirements for these centers. Is that still on target, in fiscal year 1985?

Admiral ZOBEL. Fiscal year 1985. There will be five more in 1985 and that will take care of it.

KING'S BAY, GA., SUBMARINE BASE

Senator MATTINGLY. Now I would like to discuss the naval submarine base at King's Bay.

Admiral ZOBEL. Yes, sir.

Senator MATTINGLY. Let me begin by saying that I had recently visited King's Bay myself and was briefed on the overall construction program down there. I should say for the record that I am fully aware that you are not responsible for the final budget recommendations that were put in the President's budget.

I also should say that the subcommittee will continue to look very carefully at the requirements for King's Bay.

Now, with that in mind I wish you would tell the subcommittee what was originally programed for construction at King's Bay for fiscal year 1984. And by "originally programed" I mean the plan which was being used prior to the budget decisions on the fiscal year 1984 request.

Admiral **Zobel**. It is difficult to answer when you say prior to the budget decisions because there are so many decisions that are made at various points in time, sir, by either OSD, or by the Secretary of the Navy, or by the CNO.

Senator **Mattingly**. The last printed request that came to the Senate, fiscal year 1983 estimates.

Admiral **Zobel**. Jim, do you want to take that?

Senator **Mattingly**. Really, I think the best thing to do would be to give us the gross amount that was in there.

Admiral **Zobel**. There was $250 million, in round numbers, that was at one time discussed as being a part of this program.

Senator **Mattingly**. I think that is what was used in fiscal year 1983, right.

The King's Bay request of $39.4 million versus that figure of $250 million is rather drastic to say the least, as far as the change in it. Can you tell us where that difference was applied?

Admiral **Zobel**. Generally the Trident training facility and the Trident drydock.

Senator **Mattingly**. All right, and that was all in the MILCON program.

Well, of course, you were talking two numbers there, the first number, the $250 million is a MILCON number and so is the $39 million.

Admiral **Zobel**. Right.

NAVY BUDGET IN OUTYEARS

Senator **Mattingly**. Can you tell me if the budget for the Navy in total obligational authority has increased in the outyears to allow for the over $200 million taken from King's Bay this year?

Admiral **Zobel**. Well, you would have to look at the program objectives memorandum and our 5-year defense program. I think that is what you mean when you say budget because we look at each year's program as being a budget. The first year of that 5-year program would be our budget year, like the budget we have in front of you now.

Each year we go through a process of revising that 5-year program. We are currently in that process right now. That program will be resubmitted to the Secretary of Defense in May. During that process we would expect all of those kinds of differences to be adjusted. Whether or not they are currently adjusted or not, I am not sure.

Senator **Mattingly**. Can we say, that the Navy's construction program or some other program may have to eat this $200 million in future years?

Admiral **Zobel**. Certainly it has to be taken care of because the Navy fully intends to proceed with the Trident base, the Trident training facility, and the Trident drydock; they are both vitally required. We are going to achieve a 1989 IOC. So, yes; it will have to be.

Senator **Mattingly**. I think everybody is aware of the lump out there in fiscal year 1984, so to speak.

Admiral ZOBEL. In 1985 you mean.

Senator MATTINGLY. Right, in fiscal year 1985.

Admiral ZOBEL. Yes, sir.

Senator MATTINGLY. That is commonly referred to as a "bow wave" which you will try to smooth out.

I have stated before that one of my biggest concerns over this reduction was the sharp decline in the balanced program, really, to meet the initial IOC in 1989.

I have been told by the Navy, of course, that they will request additional funds in 1985 and 1986 to cover the funds deleted this year. As I said, this is going to result in a program for fiscal year 1983 in excess of $363 million, just for King's Bay.

I would estimate, based on your previous and current program, that this $363 million for fiscal year 1985 could be more than 25 percent of your construction budget; is that true?

Admiral ZOBEL. Yes, sir.

Senator MATTINGLY. That is quite a bow wave, is it not, in one place?

Admiral ZOBEL. It is a large program, no question about that. Yes, sir.

Senator MATTINGLY. Now, you have been in the Navy 32 years, have you?

Admiral ZOBEL. Yes, sir.

Senator MATTINGLY. Can you tell me if you have ever known of a single new system to obtain over 25 percent of the budget in any one year?

Admiral ZOBEL. I cannot think of one; no, sir.

Senator MATTINGLY. I make this request in light of the comments made by all our Defense Department representatives about balanced progams for military construction.

Now, with regard to the impact on the King's Bay area, what will be the impact of this decrease from last year's program of over $148 million concerning the construction work force?

Admiral ZOBEL. We do not expect, that to vary too much. Actually, what we would expect is about an 11-month delay in the Trident training facility, for instance. It will not be delayed a full year but pretty close. What we would expect is, that the buildup will be slower than we would have anticipated originally.

Senator MATTINGLY. Would it be reasonable to assume that if you had—and this is just a hypothetical case—if you had a budget for $150 million for one year and $360 million the next year, these drastic ups and downs, that you would also have a drastic up and down of work force?

Admiral ZOBEL. Well, we do not really anticipate that there will be a large change since last year's funding was larger than this year.

Senator MATTINGLY. It being up, down, down, and then back up.

Admiral ZOBEL. We do not really expect, to go down very much. In other words, in execution we are able to smooth that out ourselves fairly well. There is no question that our buildup will not be as rapid as it was. It will go up a little flatter, and then rise sharply.

Senator MATTINGLY. Well, is it not reasonable to assume that you would have a more even work flow, work force, if you had a more even slope?

Admiral ZOBEL. A more even slope; yes, sir.

Senator MATTINGLY. I guess that was what I was trying to get to.

Admiral ZOBEL. Yes, sir.

Senator MATTINGLY. Very good.

DRYDOCK AND TRAINING FACILITY PROJECTS

I understand that with the program decrease this year as we had, as you already said because of two major projects, one the drydock and the training facility. Has any cost analysis been done to determine the cost increases for these projects by delaying them?

Admiral ZOBEL. We have looked at that. It is difficult to determine exactly what that would be because of the impact on local construction which we are not sure of.

There are other kinds of constructions that are going on in the local area that are not Navy. It looks like that is going to be increasing in the future. We have talked to a number of people such as the Associated General Contractors of America and local architect-engineers, and consulted with them. It looks like the costs may rise for those facilities more than normal inflation—if you could really predict what normal inflation would be. But we think the index for that area will probably increase more than normal.

Senator MATTINGLY. If we look at the "Grand Guru" of projection, which is the CBO—which I believe is the figure that we go by—we see that they project an increase in the inflation rate in the outyears, if I am not mistaken.

Admiral ZOBEL. Yes, sir.

Senator MATTINGLY. Therefore it would cost you more to build later.

Admiral ZOBEL. Of course. That is true of everything we have in the program. If we do not build it this year, it is going to cost more to build it next year.

Senator MATTINGLY. That is one reason why we have been able to build more projects this year for the Navy and other services.

Admiral ZOBEL. No question that the market is excellent right now.

Senator MATTINGLY. Right.

CREW SUPPORT TRAINING AT FACTORIES

I understand that with the delay in the training facility initial training to support the crews will have to be done at the factories.

Admiral ZOBEL. That is right, sir.

Senator MATTINGLY. What costing factors are involved in such a program?

Admiral ZOBEL. If the Trident training facility is available and outfitted we estimate it would cost about $1.1 million to train the crews at King's Bay, because we would still be doing much of that with contractors. They would conduct the training in the Trident training facility. If plant or factory training is required—and there are four of those locations—then our estimate is that it would cost about $1.2 million to do that. So, the increase in cost is not very great.

Senator MATTINGLY. At this point, has any change been made with regard to facilities which support the D-5 missile itself rather than the submarine?

Admiral ZOBEL. I am sorry, I did not quite understand.

Senator MATTINGLY. Has any change been made with regard to facilities which support the D-5 missile rather than the submarine?

Admiral ZOBEL. I do not know of any changes. Do you mean in the same way as the Trident training facility and the drydock?

Senator MATTINGLY. Yes.

Admiral ZOBEL. No, sir.

FISCAL YEAR 1983 BIDS

Senator MATTINGLY. I believe we have gone through this question before but we will do it one more time on the fiscal year 1983 bids that are coming in now.

At what percent are they coming in again this year under what our projected estimates are?

Admiral ZOBEL. So far this year about 30 percent under, overall.

Senator MATTINGLY. Overall.

Admiral ZOBEL. That is what we think our funding requirement will be as compared to the funds appropriated.

The general trend is for that percentage to move up but I do not think it will go much higher than, say 75 or 80. Now, whether or not that trend will continue throughout the whole year, I do not know. But so far about 70 percent.

KING'S BAY IMPACT ON LOCAL COMMUNITIES

Senator MATTINGLY. My last question in reference to King's Bay is on the impact on the local communities. I understand that the Navy has been working closely with the local communities and the King's Bay Impact Coordinating Committee to determine the needs with regard to such projects as schools and sewer and water systems.

Can you tell us what agreements have been reached?

Admiral ZOBEL. In our discussions locally there, the Navy and the community together have agreed that there are three projects that should be jointly funded—both by the Federal Government and by the local communities.

One has to do with St. Mary's water and sewage; one is the Kingsland sewage treatment, and another is Camden County Elementary School.

Senator MATTINGLY. Could all those be placed under contract during fiscal year 1984 if the funds were provided?

Admiral ZOBEL. Yes, sir, they could.

Senator MATTINGLY. Well, it seems to me since Mr. Jones Hook is here today from the Impact Coordinating Committee, that we want to probably encourage him to press forward with that.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

NAVAL ORDNANCE TEST UNIT, CAPE CANAVERAL, FLA.

Question. Provide a description of the funding requested in fiscal year 1984 to support development of the Trident submarine including development of the Trident II missile.

Answer. No fiscal year 1984 MCON funds have been requested to support development of the Trident submarine.

$84.69 million has been requested in fiscal year 1984 MCON funds to support development of the Trident II missile. This funding is in support of the following military construction projects:

P-313. Trident II Motor Test Facility, China Lake, Calif. ($12.05 million).

P-197. Radiographic Inspection Facility, China Lake, Calif. ($12.24 million).

P-841. Trident II Development Flight Test Facility, Cape Canaveral, Fla. ($60.4 million).

Question. What is the current initial operation capability of the Trident II (D-5) missile system?

Answer. December 1989.

Question. Provide for the record a table outlining what is programmed for military construction in each of the next five fiscal years for the Trident II.

Answer. Current Estimate: fiscal year 1984, 39.5; fiscal year 1985, 350-400; fiscal year 1986, 350-400; fiscal year 1987, 300-350; fiscal year 1988, 150-200.

NAVAL SUBMARINE BASE, KINGS BAY, GA.

Question. The Navy has testified before this committee and before the Defense Subcommittee in favor of two Trident Submarine Bases. I have reviewed the justification of an East Coast and West Coast Trident facility and strongly support this concept. What is the current IOC for the Kings Bay, Georgia, Trident base?

Answer. December 1989.

Question. Last year's budget justification indicated that $277 million was programmed for fiscal year 1984 for construction at Kings Bay associated with the Trident program. In the budget request pending before us the Navy requests only $39.4 million. What projects have been deleted in fiscal year 1984 that had previously been programmed for that fiscal year?

Answer. The following projects were deferred from fiscal year 1984 to outyears: Trident Training Facility; drydock; and a portion of utilities project.

Question. Does this reduction represent a slowdown in developing an operational East Coast Trident Base and does it jeopardize in any way the 1989 IOC for Kings Bay?

Answer. The projects were deferred in order to balance the Navy's budget. A work-around has been developed in each case:

Initial training will be conducted at factory locations until the Trident Training Facility can be completed and outfitted.

The drydock will be ready in time for the first scheduled drydocking in late 1990, but it will not be available at IOC as insurance against an unplanned drydocking—such an event would have to be handled by using another drydock on the East Coast—interrupting other planned Navy work.

The utility work deferred from fiscal year 1984 will not adversely affect any operational facilities.

Question. Since projects programmed for fiscal year 1984 are now being delayed will this increase the total cost of construction at Kings Bay? If so, provide that information for the record.

Answer. The $218 million out in fiscal year 1984 has a ripple effect in the outyears. The cumulative effect on the MCON appropriation as the larger projects were programmed in fiscal year 1985 and fiscal year 1986—which in turn caused some other projects to be deferred—is approximately $30 million in normal inflation. The resulting large MILCON programs in fiscal year 1985, fiscal year 1986 and fiscal year 1987 may create other costs because of the larger concentration of construction in a shorter time period, but these additional costs are difficult to qualify.

Question. What is currently programmed for construction at Kings Bay for the next five fiscal years and how does that differ from the five year program which was envisioned this time last year?

Answer. The following table indicates the breakdown for Kings Bay over the next 5 fiscal years:

[In millions of dollars]

	Fiscal year					
	1983	1984	1985	1986	1987	1988
January 1982 FYDP	148.3	253.1	363.6	283.2	223.7	149.7
Current estimate		39.5	350–400	350–400	300–350	150–200

SUBMITTED QUESTIONS

Senator Mattingly. Are there any other questions or do you have any other statements that you all would like to make?

Admiral **Zobel.** No, sir. General Buehl?

General **Buehl.** No, sir.

Senator **Mattingly.** I have no more questions. I am sure that we will later.

In closing I would like to say that any other questions that we have we will submit to you and you can respond to them in writing.

I want to thank General Buehl and Admiral Zobel for their testimony.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

SUBMITTED QUESTIONS

Category Summary

Question: Please provide for the record a table which outlines the request by facility category in terms of cost and percentage of total Navy Programs. Also provide such a table for each of the past five fiscal years and one based on what is programmed for the next five fiscal years.

Answer: The following table shows the amounts appropriated by facility category for Fiscal Years 1979 through 1983 and amounts requested for Fiscal Year 1984. Projects for the next five years (Fiscal Years 1985 through 1989) are contained in the Five-Year Defense Program. As the Navy periodically updates its priorities for facilities requirements, the contents by facilities category will change accordingly; therefore, the figures have not been provided at this time.

(See following DD 2136 form)

FACILITY CATEGORY	ENACTED FY 1979		ENACTED FY 1980		ENACTED FY 1981		ENACTED FY 1982		ENACTED FY 1983		REQUESTED FY 1984	
	Approp. Amount ($000)	Percent-age of Total	Appro. Amount ($000)	Percent-age of Total	Approp. Amount ($000)	Percent-age of Total	Approp. Amount ($000)	Percent-age of Total	Approp. Amount ($000)	Percent-age of Total	Approp. Amount ($000)	Percent-age of Total
Operation Facilities	121,713	15.8	43,649	7.7	217,337	27.9	287,810	19.8	123,655	11.4	325,452	24.2
Training Facilities	62,430	8.1	23,870	4.2	17,180	2.2	58,410	4.0	74,960	6.9	82,040	6.1
Maintenance & Production Facilities	109,867	14.3	81,170	14.3	123,010	15.8	191,380	13.2	143,058	13.2	156,930	11.7
Research, Development and Test Facilities	21,130	2.7	10,400	1.8	17,500	2.2	33,580	2.3	39,610	3.7	115,515	8.6
Supply Facilities	51,530	6.7	53,120	9.4	11,710	1.5	35,710	2.5	27,650	2.6	20,470	1.5
Hospital and Medical Facilities	68,290	8.9	11,250	2.0	46,590	6.0	207,680	14.3	14,600	1.4	55,000	4.1
Administrative Facilities	28,695	3.7	31,070	5.5	13,780	1.8	23,090	1.6	11,260	1.0	33,730	2.5
Unaccompanied Housing Facilities	104,500	13.6	72,346	12.8	94,570	12.2	184,945	12.8	144,730	13.4	156,535	11.7
Community Facilities	15,320	2.0	10,810	1.9	18,500	2.4	21,600	1.5	20,060	1.9	39,515	2.9
Utilities and Ground Improvements	112,115	14.6	124,005	21.9	115,233	14.8	267,618	18.4	341,825	31.6	207,998	15.5
Real Estate	7,140	0.9	25,700	4.5	17,530	2.3	10,370	0.7	4,050	0.4	9,045	0.7
Subtotal	702,730	91.3	487,390	86.0	692,940	89.1	1,322,193	91.1	945,458	87.5	1,202,230	89.5
Various Locations - Host Nation Infra-structure Support	-	-	-	-	-	-	-	-	0	-	2,970	0.2
Exigent Minor Construction	20,000	2.6	19,000	3.3	16,500	2.1	21,600	1.5	16,000	1.5	22,000	1.6
Access Roads	1,000	0.1	4,561	0.8	4,650	0.6	19,500	1.3	7,500	0.7	900	0.1
Planning and Design	46,300	6.0	56,049	9.9	63,790	8.2	88,100	6.1	111,792	10.3	115,600	8.6
TOTAL	770,030	100.0	567,000	100.0	777,880	100.0	1,451,393	100.0	1,080,750 1/	100.0	1,343,700 1/	100.0

1/ Less family housing.

600 Ship Navy

Question: The Navy has previously testified on behalf of expanding the current Naval force structure into a 600 ship Navy. The annual report of the Secretary of Defense indicates a goal of having 650 ships deployed in the total operating inventory by the 1990s. Is the current five year program for Navy military construction predicated on a 600 ship Navy or a 650 ship Navy?

Provide for the record the additional military construction requirements necessary to fund a 650 ship force and a comparative table outlining requirements for a 600 ship force.

Answer: Navy's testimony on the need for a 600-ship Navy of fifteen carrier battle groups (CVBG's) to maintain maritime superiority is consistant with the Secretary of Defense Annual Report. The Report states the battle force will grow to 610 ships by the early 1990s. This force level is correct and has been widely distributed as part of the President's FY 1984 budget request.

In referring to a total operating inventory of about 650 ships by the early 1990s, the Report is including in the count ships of the local defense and miscellaneous support forces. These additional ships, such as the training carrier Lexington, hospital ships, maritime prepositioning ships, fast logistics ships, and cable repair ships, which are generally civilian manned, are counted over and above the battle forces of a 600-ship Navy total.

The above being the case, Navy has not to date developed a program of military construction requirements for other than the battle force of a 600-ship Navy.

Outside United States

Question: What percentage of the request is for projects outside the U.S.? What is the cost of these projects? Provide a chart for the record which lists the amount and percentage of funding outside the U.S. for each of the past five fiscal years. Also please provide a similar chart reflecting what is programmed in the next five years.

Answer: The following chart shows the amounts appropriated for outside the United States for Fiscal Years 1979 through 1983 and the amount requested in Fiscal Year 1984. Projects for the next five years (Fiscal Years 1985 through 1989) are contained in the Five-Year Defense Program. Since the projects that compose the military construction portion of this plan change as the Navy periodically updates its priorities, the figures have not been provided at this time.

FISCAL YEAR	ENACTED APPROP. AMOUNT ($000)	PERCENTAGE OF TOTAL
1979	35,473	4.6
1980	49,020	8.6
1981	176,597	22.7
1982	238,465	16.4
1983	167,805	15.5
1984	194,685	14.5

Navy and Marine Corp Military Construction Program

Planning and Design

Question: What is requested for planning and design in FY 1984? What percentage and amount of this request will be outside the U.S.?

Answer: Navy is requesting $115,600,000 for design in fiscal year 1984. Of this amount we will use about $10.3 million or 9% for design of projects constructed outside the U.S.

Question: Please prepare a chart for the record outlining the distribution of these funds for the last five fiscal years.

Answer: Even though design costs for individual projects are collected in our management systems, they are not summarized and displayed so that we can identify the total costs for design of projects outside the United States. However, our program outside the United States expressed as a percentage of total program appropriated for the last five years is provided below and our design fund obligations would approximate that same distribution:

Fiscal Years				
1979	1980	1981	1982	1983
4.6%	8.6%	22.7%	16.4%	15.5%

Minor Construction

Question: What is requested for minor construction in FY 1984? What percentage of this request is for projects outside the U.S.? Please prepare a chart for the record outlining the distribution of these funds for the last five fiscal years and estimates of what is programmed for the next five years.

Answer: The following table shows the amounts appropriated for Fiscal Years 1979 through 1983 and the amount requested for Fiscal Year 1984 for specified minor construction. Projects for the next five years (Fiscal Years 1985 through 1989) are contained in the Five-Year Defense Program. Since the projects that compose the military construction portion of this plan change as the Navy periodically updates its priorities, the figures have not been provided at this time.

FISCAL YEAR	ENACTED APPROP. AMOUNT ($000)	INSIDE THE U.S.	% OF TOTAL	OUTSIDE THE U.S.	% OF TOTAL
1979	20,362	19,252	94.5	1,110	5.5
1980	13,160	12,180	92.6	980	7.4
1981	11,510	10,070	87.5	1,440	12.5
1982	11,490	9,320	81.1	2,170	18.9
1983 1/	36,318	31,548	86.9	4,770	13.1
1984 2/	31,950	21,640	67.7	10,310	32.3

1/ The ceiling on minor projects was raised to $1 million.

2/ Minor construction title changed with the FY 84 program to Projects $1 million and Under.

Barracks

Question: What is the average unit cost per square foot for barracks construction inside the United States? Overseas?

Answer: Navy's average unit cost per square foot, converted to an area cost factor of 1.0, is $62.50 inside the United States and $62.37 Overseas for the fiscal year 1984 request.

Navy Family Housing

Question: What is the average unit cost per square foot for new family housing in the United States? Overseas?

Answer: For both U.S. and overseas locations the cost per net square foot for housing to the five foot line is $45.00.

Question: What is programmed for family housing construction for each of the next five years?

Answer: The latest approved family housing program is as listed below. At this time an approved program does not extend beyond FY88.

FY	Location	Number of Units
1985	NS Adak, AK	308
	NS Long Beach, CA	280
	PWC Norfolk, VA	369
1986	PWC San Diego, CA	342
	NS Mayport, FL	320
	NWC Charleston, SC	300
	NSB Bangor, WA	360
	NAVACTS, London, UK	74*
1987	NS Long Beach, CA	324
	NAS Jacksonville, FL	300
	PWC Norfolk, VA	400
	NSA Naples, IT	300
	NSO La Maddalena, IT	150*
1988	PWC San Francisco, CA	308
	PWC San Diego, CA	500
	NS Mayport, FL	300
	NWS Charleston, SC	400
	NSB Bangor, WA	300

* Purchase of existing lease construction projects.

UEPH

Question: The GAO has reported that each military service overstates the deficits in existing Unaccompanied Enlisted Personnel Housing. GAO recommended that the services should defer programming additional UEPH facilities until an accruage inventory is established. Provide for the record the deficit at each base and the date of the most recent survey.

Answer: A listing of the Navy program is provided for the record:

FY 1984 NAVY UEPH PROGRAM AND ACTIVITY DEFICIT

Activity/ Location	Required Assets	Adequate Assets	Deficit
NRMC Bethesda, MD	719	218	501
NCBC Gulfport, MS	1,429	1,205	224
NAEC Lakehurst, NJ	664	399	265
NSB New London, CT	4,858	3,840	1,018
NS Mayport, FL	1,845	683	1,162
FCTC Dam Neck, VA	3,246	2,166	1,080
NTC Orlando, FL	4,493	3,735	758
NOS Indian Head, MD	305	301	4
NSB Bangor, WA	1,648	1,245	403
SWC Dahlgren, VA	111	77	34
Fort Dix, NJ Aegis Site	86	0	86
NAS Lemoore, CA	3,280	2,483	797
NSA Naples, Italy	1,239	413	826
NS Rota, Spain	2,082	1,594	488
NS Panama, CZ	109	20	89
NS Subic Bay, Republic of Philippines	1,690	1,220	470

Notes:

(1) Navy UEPH deficit is based upon January 1982 UPH survey.

(2) Navy UPH housing survey counts substandard may be made adequate (modernization) assets as adequate assets.

(3) Also, the FY 1984 omnibus Diego Garcia project includes a UEPH facility for 282 men at a cost of $6.9 million, which is not included in the above.

Question: Please outline for the record the details of DOD's minimum standards for UEPH facilities.

Answer: As a result of Fiscal Year 1983 Congressional Legislation, the Department of Defense was directed to standardize design criteria for permanent party UEPH's for all services. DOD has new criteria under review.

Question: Are you requesting any UEPH facilities in FY 1984 which exceed DOD minimum standards? If so, please provide justifications for this request.

Answer: Based upon advance information provided the Services by DOD, the Navy does not believe any FY 1984 UEPH facility will exceed DOD criteria under review.

Question: What current UEPH facilities in the inventory exceed DOD minimum standards?

Answer: The Navy cannot assess its current UEPH inventory against DOD criteria until the new criteria is published.

Question: What UEPH facilities are programmed in the next five years which are planned to exceed DOD minimum standards?

Answer: None. The Navy programs to the DOD UEPH criteria.

Question: For each facility requested or programmed, provide for the record an estimate of the potential savings if these facilities were built only to DOD minimum standards.

Answer: None. The Navy programs to DOD UEPH criteria.

SW Asia C^3

Question: The latest edition of Defense Week reports that the Secretary of Defense has approved an updated Defense Guidance. Defense Week quotes from the Guidance that the Secretary calls for "a C^3 infrastructure in Southwest Asia . . . to support deployments by 1988." What military construction requirements will be programmed by the Navy in support of the Defense Guidance in the next five years?

Answer: Navy programmed a communication facility in Mombasa, Kenya in FY 1983 and has a communication facility in the current budget in the omnibus Diego Garcia project which support a C^3 infrastructure in Southwest Asia. Other than these two projects, Navy has no additional requirements identified.

Mombasa Harbor

Question: Please provide for the record a funding profile for Navy military construction in Kenya including MOI Airport, the Mombasa Navy Base, and the harbor.

Answer:

	($ Millions) FY 1981	FY 1982	FY 1983
Moi Airport	2.2	4.9	4.1
Mombasa Navy Base	-	-	4.2
Mombasa Harbor	16.9	25.6	-
TOTAL	19.1	30.5	8.3

Question: Have the contracts been awarded for each of these projects?

Answer: Contracts have been awarded for all projects except for an access road to the Mombasa Navy Base and a communication facility.

Question: What is the current status of each project? What percentage of each project has been completed?

Answer: All harbor improvements, including the installation of mooring and navigational aids, should be completed by August 1983. The FY 1981 and FY 1982 facilities for Moi Airport have completion dates ranging from August 1983 to December 1983. The FY 1983 facilities for Moi Airport and the Mombasa Navy Base, with the exception of the access road and communication facility, have completion dates of March 1984. A contract for the access road is expected to be awarded in April 1983 with completion anticipated in June 1984. A contract for the communication facility is expected to be awarded in July 1983 with completion anticipated in August 1984.

Question: Are there additional military construction requirements identified by the Navy for Kenya?

Answer: There are no additional military construction requirements for Kenya identified in the Navy's Five Year Defense Plan.

Question: Will the Navy be able to accomplish the construction requirements currently programmed and appropriated within the funds which have been made available?

Answer: Navy will be able to accomplish the currently programmed construction requirements within the appropriated funds.

Question: Late last year staff members from another subcommittee visited Mombasa Harbor and reviewed the construction underway there. It was reported that some are concerned with the ability to safely maneuver a large aircraft carrier into and out of the harbor. Please provide for the record a detailed report outlining the studies which have been made which assure the Navy that Mombasa Harbor will be able to accommodate carrier or battleship visits.

Answer: Upon completion of the Kilindini Harbor dredging project, the approach to the harbor will be widened to 1,000 feet and the turning basin will be increased to a 1,500-foot radius. The project alters the "S" curve of the harbor entrance by providing a wider and more gradual approach, allowing fuller utilization of the protected inner harbor. The new curved channel utilizes the existing channel to the maximum extent possible. These improvements should result in a safer entrance into the harbor. Representatives of the Commander in Chief, U.S. Pacific Fleet have surveyed the new entrance channel on site to ensure that it is safe for transit by an aircraft carrier. They have determined that there is no problem with the new channel and that it is safe for transit by carriers without the aid of tugs, although tugs will be required for operations within the turning basin.

ELF

Question: What is requested in FY-84 for the ELF submarine communication upgrading?

Answer: The FY-84 budget request for ELF includes $58.5 million Research, Development, Test and Evaluation (RDT&E) and $13.0 million Military Construction (MILCON).

Question: What is programmed in the next five fiscal years for ELF?

Answer: Extremely Low Frequency (ELF):

	FY84	FY85	FY86	FY87	FY88	FY84-88 TOTAL
RDT&E ($M)	58.5	29.2	7.1	7.7	2.1	104.6
MILCON	13.0	-	-	-	-	13.0
OPN	-	26.7	19.4	-	-	46.1
TOTAL	71.5	55.9	26.5	7.7	2.1	163.7

Question: In 1981 former Chief of Naval Operations Hayward recommended against deploying ELF because the system might not survive a nuclear attack and also because its ability to transmit messages to deeply submerged submarines is too slow. Tell us the Navy's current position on these two issues associated with ELF deployemnt.

Answer: In order to preclude any possible misunderstanding concerning the premise of your statement about a recommendation on the development of the Extremely Low Frequency (ELF) system by the former Chief of Naval Operations, the enclosed letters dated 24 November 1981 are provided (See attached DD Forms 2136). These letters from Admiral Hayward to the Senate and House Appropriations Commitees' Chairmen of the Subcommittees on Defense stated that the 8 October 1981 Presidential decision to deploy ELF was fully supported by the Navy.

Admiral Hayward explained that he supported the development of the ELF system at the level of investment now proposed; the problem had always been in meeting new important strategic command and control needs within limited resources.

The ELF system adds a new dimension of capability and expands the operational envelope of command and control connectivity to the submarines. Its inland location, inherent resistance to jamming, and electromagnetic pulse protection will enable it to reliably function several minutes longer than any of our other fixed broadcast systems under attack and deliver important alerting messages. ELF is not intended to be used to transmit Emergency Action Messages to the SSBNs. ELF can be used to order submarines to establish higher data rate communications (Very Low Frequency (VLF), Low Frequency, High Frequency, or satellite). Absence of ELF signals can also cause a shift to higher capability communications.

CHIEF OF NAVAL OPERATIONS

24 November 1981

Dear Mr. Chairman,

I understand that a perceived lack of clarity on my position with regard to the Extremely Low Frequency (ELF) communications system may have influenced a decision made by the House Appropriations Committee on 16 November 1981. In order to preclude any possible misunderstanding, I would like to state my views on this system.

I support the development of an ELF system at the level of investment now proposed. The problem has always been in meeting new important strategic command and control needs within limited resources. While modernizing our primary survivable very low frequency airborne transmission system is the top priority, the small, but improved, ELF system approved by the President complements it in several important ways. This improved ELF system adds a new dimension of capability altogether independent from the airborne system and will provide continued insurance against an unforeseen Soviet submarine warfare breakthrough.

The recent Presidential decision to deploy ELF is fully supported by the Navy.

A similar letter is being sent to the Chairman of the House Appropriations Defense Subcommittee.

Sincerely,

T. B. HAYWARD
Admiral, U. S. Navy

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

Blue-Green Laser

Question: Development is continuing on the Blue-Green Laser as a way of improving communications with submerged submarines. What military construction requirements would be envisioned by deployment of such a system?

Answer: Until a decision is made in FY-85 concerning the direction of the Submarine Laser Communications System, it is not possible to determine military construction requirements.

Question: It has been reported in open sources that the Blue-Green Laser would be a better way of submarine communication than ELF. Is this correct and why do we need redundant systems?

Answer: Blue-Green (B/G) laser is not better than ELF in providing communications to submarines. On the surface it appears that B/G laser is better because of the apparent high data rate capacity of laser systems. However, to operationally deploy a B/G laser system that protects the submarines' covertness requires the laser beam to scan large ocean areas which reduces actual contact time with the submarine. Calculations show that the average data throughput of the B/G laser satellite system is similar to the ELF system, which provides continuous connectivity. Similar capabilities and the higher risk, higher cost technology associated with B/G lasers makes the B/G laser system an unattractive alternative to ELF.

TRIDENT Shipyard, Groton, CT

Question: It has been reported that substantial vandalism has taken place at the TRIDENT Shipyard in Groton, Connecticut. Please explain these incidents for the record.

Answer:

A. The July Incident

In general summary of the incident, in the early morning hours of July 5, 1982, four intruders were discovered aboard the TRIDENT Submarine, Florida. The intruders damaged two missile tube hatch covers, splattered a blood-like substance about and spray painted words and slogans. Five additional intruders hammered and defaced sonar transducer mounting spheres in the south storage yard. Damage was repaired within 3 days and Florida is proceeding through trials and testing without delay.

B. The November Incident

About 4:14 in the morning of November 14, 1982, two Electric Boat security officers, one on foot and one in a vehicle, were performing a security check of the South Yard storage area and sighted two unauthorized individuals. Following these individuals the officers discovered a third individual behind a parked truck. A pounding noise led them to a fourth individual who was located hammering on a steam condenser which was stored in the south storage yard. These four individuals were detected and apprehended within 3 minutes of their intrusion. Simultaneously these four and three other individuals were sighted by an observation post. The remaining 3 individuals ran into the Shipyard. EB Division security personnel contacted the Groton (Connecticut) City Police and notified all security officers on duty. Shortly thereafter the ship's safety watch discovered 3 individuals topside on the Georgia (SSBN 727) which was docked along the South Wing wall of the Graving Dock. The intruders were found hammering on the missile tube hatches; slogans were found painted on the sail, and a banner was hung on the submarine. EB Division security officers detained the individuals until the Groton City Police arrived and made the arrests. The total time for all 7 intruders to be detected and apprehended was 19 minutes. The persons apprehended were dressed as shipyard workers with gray hard hats and I.D. badges which resembled shipyard badges. The cost of repairs to the condenser and the missile hatch covers is estimated at approximately $3,000.00.

Base and Shipyard Security

Question: Do these incidents indicate that improved security measures should be taken at these shipyards or at Navy bases themselves?

Answer: To totally prevent vandalism such as was perpetrated at Groton and at Navy bases in general would be virtually impossible and cost prohibitive. An individual or group intent on perpetrating such an act normally has the element of surprise in its favor. Where we have indications or warnings of specific threats, we generally are able to neutralize them through increased awareness and improved security procedures.

Question: Please provide for the record a listing of what is programmed for the next five fiscal years for security upgrades at Naval Facilities.

Answer:

Security Related Military Construction Projects
Planned FY 1984 - 1988 - Navy

Activity	Description	Cost ($000)
Naval Station Adak, AL	Security Improvements	2970
Naval Air Engineering Center, Lakehurst, NJ	Safety Alarms	475
Naval Facility, Bermuda	Security Improvements	1110
Naval Air Station Brunswick, ME	Alert Force Facility	375
Naval Station, Mayport, FL	Gatehouse & Land	700
Naval Submarine Base, New London, CT	Security Improvements	970
Naval Station, Norfolk, VA	Gatehouse	980
Naval Air Station Barbers Point, HI	Ammunition Armanents Explosives Security	1090
Naval Air Sation, Miramar, CA	Security Lights & Fence	1430
Naval Training Center, Orlando, CA	Gatehouse	430
Naval Station, Pearl Harbor, HI	Police Station	1490
Naval Air Station, Corpus Christi, TX	Security Building	1090
Naval Air Station, Corpus Christi, TX	Security Fencing	300
Naval Air Station, Kingsville, TX	Security Building	420
Naval Air Station, Oceana, VA	Security Fence	2580
Ocean Processing Facility, Dam Neck, VA	Security Facility	750

Naval Security Group Activity, Adak, AL	Security Facility	1050
Naval Facility, Barbers Point, HI	Security Facility	340
Naval Facility, Centerville Beach, CA	Security Facility	800
Naval Facility, Coos Bay, OR	Security Facility	810
Naval Facility, Midway Island	Security Facility	630

Sasebo Navy Base, Japan

Question: It was reported last week that a bomb was discovered at the Sasebo Navy Base in Japan. This is the base where the Enterprise is currently docked. According to press reports the bomb was planted in a munitions store and entrance to the base was gained by cutting a hole in the wire fence. Please give us the details of this incident.

Answer: A classified response has been been provided to the committee.

Question: Does this indicate a lack of security at this facility?

Answer: The successful penetration of any magazine by a person intent on committing an unauthorized act should not be interpreted as a lack of security, but rather that security is less than perfect.

Question: Are any security related military construction requirements programmed for Sasebo in the next five fiscal years?

Answer: Presently there are no security related military construction projects programmed for Sasebo.

Cruise Missile Basing

Question: It has been reported that the Department of Defense is considering development of a cruise missile system for the Navy which would be deployed at ground based locations for use against the Soviet Navy. Is the Navy considering such a new system and if so, what would be the military construction cost associated with such a system?

Answer: Navy is not considering ground based locations for a cruise missile system. Navy feels there are far better ways to deploy the cruise missile system, namely ships, submarines and aircraft.

Landing Craft

Question: $21.2 million is requested for military construction associated with procurement of a Navy Landing Craft Air Cushion. How will these funds be utilized?

Answer: The Landing Craft Air Cushion is a new amphibious vehicle whose primary purpose is to carry Marine Corps tanks and equipment ashore during amphibious operations. The first three craft were procured in FY 1982, followed by three in FY 1983 and six more in the current request for FY 1984. Thereafter, plans are to budget for 12 each year until a total of 107 craft have been procured. These craft will be operationally homeported on the West Coast at Camp Pendleton, CA and on the East Coast at Naval Amphibious Base, Little Creek, VA. Since these craft are a new generation vehicle operating out of the water, hovering just over the surface, a support base similar to that required by aircraft squadrons is needed. This years request is the first increment of construction for the West Coast base and will provide for about one fourth of the craft to be supported here.

Question: What is programmed in each of the next five years for LCAC deployment?
Answer: Next years' request will contain a similar amount for the first increment of construction at the East Coast site. Programming will continue each year until the estimate $130-$140 million total construction cost for both sites has been accomplished.

Millington Naval Air Station

Question: What is requested in FY 1984 for Millington Naval Air Station?
Answer: The FY 1984 Military Construction program requests $11.8 million for Naval Air Station, Memphis, Millington, Tennessee.

Question: How will these funds be utilized?
Answer: These funds will provide an applied instruction building and pay a municipal sewer connection fee.

Question: What is programmed in the next five fiscal years for Millington?
Answer: The Five Year Defense Plan (FYDP) currently has the following projects for Naval Air Station, Memphis, Millington, Tennessee:

FY 1985

PROJECT	($000) MIL
Brig	1,580
Aircraft Fire & Rescue Station	640
Road	3,010
Applied Instruction Building	1,030
Electrical Distribution System Improvements	1,780
Water Treatment Facility	6,670
Facility Energy Improvements	3,750
TOTAL	18,460

FY 1986

PROJECT	($000) MIL
Unaccompanied Enlisted Personnel Housing	10,300
Airfield Safety Improvements	480
Applied Instruction Building	690
Applied Instruction Building	5,940
Firefighting Training Facility	470
Fire Protection	370
Building Alterations	1,090
Radar Air Traffic Control Center	950
Fuel Storage	1,580
TOTAL	21,870

FY 1987		
Unaccompanied Enlisted Personnel Housing		10,910
Airfield Safety Improvements		1,190
Fire Protection		260
Air Installation Compatible Use Zone		5,460
	TOTAL	17,820
FY 1988		
Airfield Safety Improvements		610
Fire Protection		430
Fire Protection		190
Sewerage System		350
Runway Improvements		2,780
	TOTAL	4,360

Question: As the Navy expands to a 600 or 650 Ship Navy the technical training requirements will also be expanded. Does this indicate a necessity to increase the available training space for Naval Technical Training?

Answer: The mission of Naval Air Station, Memphis is to train aviation technicians in the maintenance of aircraft. The additional training load due to new squadrons for the two new aircraft carriers can be met with the military construction projects listed in the Five Year Defense Plan (FYDP).

Question: If so, how will these increased requirements affect the future requirements at Millington? Specifically, will this necessitate construction of new facilities?

Answer: Required facilities will be included as scope increases to already programmed projects.

Two New Carriers

Question: Last year the Congress approved funding for construction of two new aircraft carriers. What military construction requirements are associated with construction and deployment of these new carrier groups?

Answer: The two aircraft carriers approved in FY 1983 are expected to enter the Fleet by 1990, bringing the force level up to fifteen carriers. Military Construction (MILCON) projects funded in recent years; proposed in FY 1984; and upcoming in the outyears at the carrier homeports in the U.S. today of Norfolk, Mayport, Alameda, and San Diego will all serve to support the existing force as well as these new ships.

Military construction requirements that might develop in connection with ongoing studies of potential carrier homeporting in the Gulf of Mexico or in Puget Sound are dependent on the outcome of the studies later this year.

Current major MILCON projects that will support the fifteen carrier force level include:

FY 82	Naval Station Norfolk	Berthing Pier	$35,000,000
FY 82	Naval Air Station Alameda	Pier Improvements	$ 7,500,000
FY 82	Naval Station Norfolk	Dredging	$ 2,560,000
FY 84	Naval Station Mayport	Waterfront Utilities Upgrade	$ 2,960,000

Question: Provide for the record a table outlining the five year military construction program for each of the carriers approved by Congress.

Answer: Planned military construction projects in support of aircraft carrier homeported include:

Naval Station Mayport	Bulkheads	$ 7,430,000
Naval Station Mayport	Wharf (2nd Incr)	$30,000,000

Puget Sound Naval Shipyard--Steam Plant

Question: No funds are included in the FY 84 request for the new steam plant at Puget Sound Naval Shipyard. Will delaying remaining funding have an adverse impact on project completion? If not, please provide a detailed scheduled of activities planned during FY 83-84 and the funds involved in each activity.

Navy response: Funds were not included in Navy's fiscal year 1984 request because they were not required to meet the construction schedule. Delaying funds to fiscal year 1985 will not impact adversely on project completion.

Navy has awarded one and is in the process of awarding five more contracts for procurement of long lead time equipment using the $37 million in fiscal year 1982 funds. These awards are scheduled to be completed in July, 1983.

A construction contract for the utility distribution system is scheduled for award in September, 1983 using $25 million in fiscal year 1983 funds.

Navy will be prepared to award a construction contract for the power plant in the first quarter of fiscal year 1985 utilizing the fiscal year 1985 funds which will be requested next year.

Sasebo Navy Base, Japan

Question: It was reported last week that a bomb was discovered at the Sasebo Navy Base in Japan. This is the base where the Enterprise is currently docked. According to press reports the bomb was planted in a munitions store and entrance to the base was gained by cutting a hole in the wire fence. Please give us the details of this incident.

Answer: Ordnance support is one of the principal missions of the Navy's base at Sasebo, Japan, with ordnance stored in two different magazine areas. For safety, both are remote from the main base.

[Deleted.]

Physical security measures at both areas are now being reviewed, with the possibility that either special project or military construction improvements may be indicated.

SUBCOMMITTEE RECESS

Senator MATTINGLY. The subcommittee will stand in recess subject to the call of the Chair.

[Whereupon, at 2:35 p.m., Tuesday, March 22, the subcommittee was recessed, to reconvene at the call of the Chair.]

MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1984

TUESDAY, APRIL 19, 1983

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 8:05 a.m., in room 116, Dirksen Senate Office Building, Hon. Mack Mattingly (chairman) presiding.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE AIR FORCE

STATEMENT OF MAJ. GEN. CLIFTON D. WRIGHT, DIRECTOR, AIR FORCE ENGINEERING AND SERVICE

ACCOMPANIED BY:

BRIG. GEN. JAMES W. CALLAGHAN
BRIG. GEN. JOSEPH AHEARN

BUDGET REQUEST

Senator MATTINGLY. Good morning. The meeting will come to order.

Today the subcommittee will receive testimony in support of the Air Force military construction budget for fiscal year 1984.

The Air Force request is for $3.25 billion, of which approximately $950 million is for Air Force family housing requirements. The fiscal year 1984 request represents an increase of about $725 million over fiscal year 1983 appropriations.

Included within the Air Force request are projects and facilities to support Peacekeeper or "MX," air and ground launched cruise missiles, B-1B aircraft, DEW Line Radar System and the Space Transportation System. In addition, the budget includes projects to support new mission initiatives throughout the world.

AIR FORCE LIVING CONDITIONS

The Air Force also continues to provide their personnel with the best possible facilities in which to live and work. While there are times when the Air Force is criticized for having better facilities, I believe that it should be noted that since the Air Force began, they have consistently made an effort to provide their personnel with decent living and working conditions. I believe this accounts for the fact that the Air Force military construction budget is the largest of the three services.

I want to make it clear that this subcommittee will continue to support the Air Force needs. Even through the continuing discussion of MX, GLCM, and B-1, the Air Force keeps the welfare of their people as one of the highest priorities. I believe that, within reason, this policy should be supported by the Congress.

At this point I would like to welcome our primary witness today, Major General Wright. As usual, I see that your staff is present to assist you, and you may want to introduce them as we proceed.

General Wright has submitted a statement for the record which will be printed in its entirety. I understand that you will highlight your prepared text and will then present short briefings on three important programs, the Misawa Japan beddown, the GLCM, the Co-located Operating Bases, COB's.

The briefings include classified information therefore, once General Wright has provided his opening remarks, I will move that the subcommittee go into executive session to receive the briefings as I have mentioned.

With that in mind, you may go ahead and proceed.

BUDGET REQUEST OVERVIEW

General WRIGHT. Thank you, Mr. Chairman. It is my pleasure to return this year to present the Air Force's military construction program for fiscal year 1984.

I have with me today at the table Brigadier General Callaghan and Brigadier General Ahearn, who will assist me in testimony.

As you indicated, sir, our appropriations request this year is for approximately $3.25 billion, the largest Air Force military construction program request ever.

MAJOR CATEGORIES

With your permission, sir, I will briefly overview our request in four major categories, after which I would like to present the three briefing that you talked about. Then we will be available to answer any questions you may have.

SYSTEMS ACQUISITION

Our first category this year is systems acquisitions. Projects related to or in support of major weapon systems come to about $1 billion.

READINESS

The second category is readiness, and these projects are those directly related to readiness of our combat forces. That category comes to about $330 million.

MODERNIZATION

The third category is modernization. These are projects related to the improvement and upgrade of the infrastructure of our air bases. That category amounts to about $843 million.

FAMILY HOUSING FUNDS

Family housing funds, as you indicated, come to about $947 million.

SYSTEMS ACQUISITION

In systems acquisition, this request includes the $410 million for Peacekeeper construction, and that includes some family housing projects for Peacekeeper. We are prepared to adjust that program depending upon the outcome of the President's recommendations to the Congress.

We are seeking $148 million for our ground launched cruise missile construction at five deployment locations. That will be one of the briefings we will get into much detail on.

We are also seeking $20 million to support the air launched cruise missile. This year's air launched cruise missile program completes construction at three bases and starts a two-phase construction program at another.

The systems acquisition program also includes projects to support efforts to improve our strategic detection and warning radar systems. This includes three key systems, Over-the-Horizon Radar, the PAVED PAWS system, and an upgrade of the Distant Early Warning system across the northern tier of this continent.

STRATEGIC FORCES UPGRADE

To upgrade our strategic force, we have $8.8 billion in the program at Dyess Air Force Base in Texas, and this supports the beddown of the first increment of the B-1B bomber.

The systems acquisition program also includes $75 million to complete the Consolidation Space Operational Center in Colorado Springs, Colo., and $49.2 million for the Space Transportation System to upgrade security, provide a capability for de-icing external tanks on the shuttle, and construct facilities to collect, treat and dispose of hazardous material generated during launch of the shuttle.

READINESS

In the readiness area we are including projects this year for Southwest Asia, Europe, and the Pacific.

In Egypt we are requesting $55.4 million for phase II of our work at Ras Banas. We are also seeking $39.6 million in Oman to continue previously approved construction projects in that country; and $41.3 million at Diego Garcia in the Indian Ocean to upgrade the primary runway.

Our number-one priority readiness initiative, Mr. Chairman, in the Air Force as well as in the Department of Defense, is to complete the minimum essential facilities at colocated operating bases in Europe. This year we are asking for $44.1 million to continue this program. In addition to that, we are seeking $66.7 million to upgrade two strategically located bases and sites in Eastern Turkey. We will discuss this program in greater detail as we get into the classified briefing.

In the Pacific theater we are continuing on-going initiatives to shelter assigned and deployed forces and establish required war readiness materials stocks. We are also asking for $29.9 million as a first increment of U.S. military construction dollars to support a

United States and Government of Japan initiative to beddown two squadrons of F-16 aircraft at Misawa Air Base in northern Japan.

This year we began a $60 million 5-year program to improve the medical readiness capability in Europe and the Pacific. We are asking for $2.4 million in the Pacific theater and $4.2 million in Europe to construct storage facilities for medical war readiness materials.

MODERNIZATION

In the modernization category, Mr. Chairman, this addresses the quality-of-life issues and our programs to upgrade and improve the work place for our people. It also includes projects in the energy conservation area, pollution abatement, and the occupational health and safety area. We are asking for $843 million worth of projects in this category this year.

I was pleased to hear your remarks in the opening statement about how well the Air Force cares for its people. We take great pride in that and we believe that has a lot to do with our high retention rates.

We believe the dollars invested at the front-end to provide good working and living conditions for our technicians, our engineers and our people really, we think, pay high dividends in the long run. We certainly appreciate your support in the Congress for those programs.

MODERNIZATION INITIATIVES

First among our modernization initiatives is our unaccompanied personnel housing improvement program. This is a long term for a dormitory or what used to be called a barracks. We prefer to call them dormitories these days. But we are asking for $219.5 million this year to do 44 projects, 35 of these projects alter or construct dormitories for single enlisted personnel; 8 provide needed officer quarters, primarily overseas, and 1 alters an Academy cadet dorm.

Our program also includes $99 million to upgrade or construct new medical facilities. Major projects include a much needed hospital at Minot Air Force Base in North Dakota and clinics at Eielson in Alaska and Aviano in Italy. These projects are required to replace aging facilities which do not meet the needs of modern medicine.

We are continuing a major program to upgrade and improve our older and more decrepit maintenance, supply, training and administrative facilities across the Air Force.

We ask people to work on multimillion-dollar aircraft in rundown, hazardous shops and hangars. As I mentioned before, we believe that a little bit spent at this end goes a long way to retaining the very capable technicians that we have to maintain and operate our systems. A good working and living environment translates directly to improved productivity and sortie generation.

ENERGY CONSERVATION

Sir, in the energy area our program reflects our continuing effort to conserve energy by making our buildings and systems more efficient.

The energy conservation investment program continues to be our most significant contributor to reducing facility energy in the Air Force today. This year, we are requesting $36.7 million for 44 projects which have an average benefit-to-cost ratio of 5.1 and an average payback of less than 3 years.

ENVIRONMENTAL PROTECTION

In the environmental protection area we have this year $36 million in the program to pay our pro-rata share of three regional sewage treatment plants in San Antonio, at Chanute Air Force Base in Illinois, and at Little Rock Air Force Base in Arkansas.

FAMILY HOUSING

In the family housing area our request for $947 million is comprised of the following elements: $171 million for new construction, improvements and planning and design; $661 million for operations and maintenance; $59 million for leases; $4 million for debt, interest and mortgage insurance, and $51 million to repay the principal on mortgages for Wherry and Capehart houses that were constructed in the 1950's and 1960's.

New construction will provide 1,075 needed housing units at seven locations. Our improvement program upgrades 8,600 units and makes energy conservation alterations to another 7,900 units across the Air Force.

Total funding of our operations and maintenance program is essential to cover our "must-pay" items and preclude us from having to transfer moneys from the maintenance account, as we have had to do in the past.

The funds for leases will provide housing in those locations where leasing is more economical than building.

Sir, in summary, we have developed a balanced program to satisfy the broad spectrum of Air Force requirements. I thank you for the opportunity to present this year's military construction program to this committee.

Sir, with that, if you have any questions, we can do that before we go into the briefings. Or we can go into the briefings now, if you would like.

[The prepared statement of Maj. Gen. Clifton D. Wright follows:]

Prepared Statement of Maj. Gen. Clifton D. Wright

INTRODUCTION

Mr. Chairman and members of the Committee, I am Major General Clifton D. Wright, Director of Air Force Engineering and Services. It is a pleasure to appear before you again this year to present the Air Force's Military Construction Program for fiscal year 1984.

OVERVIEW

Our appropriation request this year, excluding the guard and reserve, totals approximately $3.25 billion. It supports Air Force initiatives in the areas of Systems Acquisition, Readiness, Modernization and the Family Housing Program.

PROGRAM HIGHLIGHTS

Your Committee and others in Congress have expressed an interest in several specific areas in this year's request. For this reason, I will briefly comment on the more significant topics of special interest.

SYSTEMS ACQUISITION

Construction in support of Systems Acquisition programs totals slightly more than $1.0 billion in fiscal year 1984. This is a significant increase over fiscal year 1983, primarily due to programming requirements for the Peacekeeper and Ground and Air Launched Cruise Missiles. I will speak to these and other new and continuing systems acquisition facility support programs as I progress.

PEACEKEEPER

This is the fifth year we have come before the Congress for construction funds to support the Peacekeeper.

During fiscal years 1980 and 1981, the Congress provided $79.5 million for test facilities at Vandenberg AFB, California, and Arnold AFS, Tennessee. This construction went extremely well and facilities are complete. In fiscal year 1982, $11.0 million was provided for a management complex at Norton AFB, California. That acquisition was completed in April 1982 and personnel are moving in. Last year, $16.7 million was approved for depot facilities at Hill AFB, Utah, and Newark AFS, Ohio. Design of these, and our fiscal year 1984 facilities, is being held in abeyance at the direction of Congress.

This year's Peacekeeper request totals $410 million, including military family housing. With the exception of depot and training facilities at Hill, Lowry and Chanute Air Force bases, which are required regardless of the Peacekeeper basing mode, the request was formulated to support the Closely Spaced Spaced Basing at Franics E. Warren Air Force Base, Wyoming.

This request is made in full recognition of the on-going efforts of the Presidential Commission on Peacekeeper and Congress' intent to participate in the final deployment decision. If the final deployment decision requires a change, we will return to the Congress with a restructured program. We must emphasize, if we are to achieve the earliest possible IOC, Congress must grant authority to begin design as soon as possible. We will need your cooperation to meet the 1986 IOC and look forward to discussing this and other issues as we move toward a deployment decision.

GLCM

Our $148 million request in support of the Ground Launched Cruise Missile program in Europe is extremely important because it continues to demonstrate NATO's commitment and resolve by offering a modern credible deterrent to Soviet actions. Soviet propaganda efforts and continued European concern over the presence of nuclear weapons undescore the need to make clear the deterrent value of these weapons. As history has shown, weapons are less likely to be used when no doubt exists about the ability to retaliate. Therefore, until equitable and verifiable methods are found to eliminate such weapons, it is imperative that we demonstrate our willingness to move forward with the GLCM program.

Included in this year's program are projects at five deployment locations. these projects will complete the U.S. construction program at four locations and commence construction at a fifth.

As we did last year, we are again requesting facilities to support accompanied tours for our personnel operating and maintaining this system. We believe the rationale for supporting accompanied tours is overwhelming in every respect including: economic, operational, personnel stabilization and arms control. We ask the Congress to reconsider its previous decisions on this most important issue.

STRATEGIC DEFENSE

Strategic defense is an integral part of our deterrence posture. It provides timely, reliable and unambiguous detection, warning and attack assessment. This year's program includes three separate construction efforts to support improvements to our strategic detection and warning systems: namely, continuation of the Over-the-Horizon-Backscatter (OTH-B) radar and PAVE PAWS programs, and the initiation of a major upgrade to our Distant Early Warning (DEW) Radar System.

Our OTH-B request includes the second of three phases effort to attain an East Coast operating capability, and the first phase, land acquisition, of a three phase West Coast program.

The PAVE PAWS request provides attendant support facilities for the southwest site and upgrades electrical power services to the northwest site. With the completion of the follow-on fiscal year 1985 and 1986 projects, we will provide total sea launched ballistic missile (SLBM) radar detection coverage of North America.

The existing DEW Line, which has been in operation since 1957, warns of penetrating aircraft from the north. Approaching the end of its useful life, the system has become very costly to operate and maintain. Additionally, it does not provide complete coverage against modern weapon systems. Our 1984 request is the first increment of a three year program to construct up to five new long range sites—the initial long range site is located in Greenland.

When complete these three complementing systems will provide detection, warning, and assessment of both SLBM and air breathing vehicle threats.

AIR LAUNCHED CRUISE MISSILE (ALCM)

The $20 million requested this year continues over phased program supporting the acquisition and deployment of the ALCM. Specifically, it completes construction at Griffiss, Fairchild and Blytheville Air Force Bases and starts a two phased program at Barksdale Air Force Base. Along with the facilities previously requested, the fiscal year 1984 increment supports procurement and delivery schedules for the current and follow-on ALCM models.

B1-B

As with any new system, our B1-B beddown plan calls for use of current assets to maximum extent possible. However, the B1-B will require some new construction, as well as alteration and enlargement of existing maintenance and support facilities, at its beddown locations.

This year's $8.8 million request initiates construction at Dyess Air Force Base, Texas, which will be both the B1-B training base and an operational location. It provides a combat crew training facility and fuel cell maintenance dock and upgrades the munitions storage area. The fiscal year 1985 through 1987 programs will complete Dyess and the remaining three, yet to be announced, B1-B bases.

CONSOLIDATED SPACE OPERATIONS CENTER (CSOC)

Last year the Congress provided $67.7 million to commence construction of a Consolidated Space Operations Center (CSOC) at Falcon Air Force Station, near Colorado Springs, Colorado. CSOC will combine into a single facility a Satellite Operations Complex and Shuttle Operations and Planning Complex to accommodate the expanding military role in Space. Concurrent with its provision of fiscal year 1983 funds, the Congress directed the Air Force to report on land, computer and base operating support issues. The Air Force has provided a detailed response on each of these subjects and in proceeding toward award of the initial CSOC construction contract in May 1983.

This year's $75 million request will complete the construction required for an initial operational capability for the Satellite Operations Complex by November 1986 and a similar capability for the Shuttle Operations and Planning Complex by November 1987.

Future military construction may be required at this station as the Air Force's role in space continues to evolve.

SPACE TRANSPORTATION SYSTEM

This is the sixth year we are requesting funds for the Space Transportation System (STS). Over the past five years, $485 million have been provided through appropriations and reprogrammings for facility projects at Vandenberg AFB, Port Hueneme, Johnson Space Center, Goddard Space Flight Center, Cape Canaveral AFS and Kennedy Space Center.

Our fiscal year 1984 request for $49.2 million includes essential security enhancements at three locations, and an external tank area icing protection system and hazardous material management facilities at Vandenberg AFB. It will complete essential construction requirements needed for an October 1985 initial operational capability at Vandenberg AFB. Some additional construction will be required over the next two years to ensure a launch rate of five vehicles per year can be met on a continuing basis.

Last year Congress expressed its concern over the growing cost of construction for STS. At that time the projected construction requirements through completion were stated to be $628 million. With the Vertical Assembly Environmental Shelter now under contract within the programmed amount and overall construction progress estimated at approximately 85 percent complete we reaffirm our estimate that all current and projected work can be finished within that amount.

READINESS

In their fiscal year 1984 report to the Congress, Secretary Orr and General Gabriel emphasized the need for our forces to be ready for war at any time and the importance of adequate facilities to ensure this readiness.

While our entire Military Construction Program is directed toward improving our warfighting posture, approximately $330 million of this year's request addresses specific readiness issues. I would like to highlight four of these programs.

SOUTHWEST ASIA

Last year Congress appropriated funds for construction of a rear staging base at Ras Banas, Egypt. Design of various facilities estimated at $91 million is complete. Construction contracts for these facilities could begin by late May 1983. This year's $55.4 million request for Ras Banas continues construction of airfield pavements, fuels storage and distribution systems, munitions storage facilities, as well as other operations and maintenance facilities and utility systems. This level of investment is consistent with previous Congressional guidance.

Our fiscal 1984 request of $39.6 million for construction in Oman also continues a previously approved initiative. Work includes various operational and logistical facilities at Masirah, Seeb and Thumrait.

At Diego Garcia, we are seeking $41.3 million to upgrade the primary runway. This project, requested last year, was deferred by the Congress as a more appropriate candidate for the fiscal year 1984 program.

The final increment of our Southwest Asia request supports enroute refueling at a classified location.

COLLOCATED OPERATING BASES (COB)

In a military contingency in Europe, the United States will send hundreds of aircraft, along with supporting personnel and equipment, to augment U.S. and allied forces permanently stationed there. Some of these forces will deploy to existing U.S. operated bases; others will deploy to foreign air bases under the Collocated Operating Bases (COBs) program to avoid overcrowding and vulnerability. At each of these COBs, the host nation has agreed to joint use of its airfield, including maintenance facilities, dining halls, warehouses, and dormitories in wartime. However, because many of the bases in the program do not have all the facilities necessary to handle the deploying squadrons, Minimum Essential Facilities (MEF), such as dispersed parking areas, and fuel and ammunition storage, must be constructed.

To date MEFs have been completed at five bases and four more are fully funded. There are many more bases that have some of the MEFs but need the remaining items to permit meaningful air operations. Our fiscal year 1983 request for $28.6 million to build MEFs at seven bases was authorized by the Congress but was not appropriated. The appropriation denial was based on the premise that while the Congress supported the COB concept, the work is NATO eligible and NATO should fund it. However, it was also stated, should NATO be more forthcoming with funds and the pace of improvement still not fast enough, Congress would entertain a follow-on request.

NATO clearly recognizes the importance and urgency of the COB MEF program and we have strong indications they will substantially increase infrastructure funding. In 1982, NATO included $32 million for COBs in Slice 33 of its infrastructure program.

We anticipate a decision on a fund increase for the NATO program for 1983 and 1984 (Slides 34 and 35) to be made at the May 1983 Ministerial Meetings. It is expected substantial funds will be added to the infrastructure program for COB MEFs. Our fiscal year 1984 request for $44.1 million complements the projected NATO effort to accelerate attainment of this vital deployment capability.

I believe we are turning the corner on COBs. The support of the Congress is essential to accelerate this most important program. We ask, therefore, that the Congress give its full support to the Defense Department's number one priority readiness issue in Europe—Minimum Essential Facilities for Collocated Operating Bases.

Our fiscal year 1984 program also includes $66.7 million to upgrade two strategically located sites in eastern Turkey to COB status. Expanded airfield availability and capability are urgently required in this region to support air forces that would deploy in contingency situations.

I look forward to discussing the details of this initiative with the Committee.

PACIFIC READINESS

In the Pacific theater of operations, our fiscal year 1984 program sustains ongoing readiness initiatives for sheltering assigned and deploying forces and establishing required stocks of wartime consumables. These programs continue to move smoothly and we appreciate your consistent support of them.

Our 1984 program also includes a new readiness initiative, the beddown of two squadrons of F-16 aircraft at Misawa Air Base in Japan. We are asking for $29.9 million this year to support this initiative.

The introduction of first line tactical aircraft at Misawa AB begins to address a growing disparity in the balance of air forces in the Pacific theater. In terms of quality we have better aircraft; but, in terms of quantity we are still a relatively small force in that part of the world. By comparison, the Soviet Union deployed three times as many third generation fighters to the Far East in the last three years as the U.S. has in its entire Pacific air forces. Introduction of the F-16's at Misawa will complement present Air Force, Naval and Marine air units in the Pacific. Misawa was selected to base the F-16's because, as the northern most USAF base in Northeast Asia, it best balances the expanding, modern Soviet Far East air threat. On 30 September 1982, during discussions with the Secretary of Defense, the Japanese Defense Agency Director General Ito expressed the Government of Japan's (GOJ) intent to support this initiative. The first squadron will arrive in fiscal year 1985, and the second in fiscal year 1988.

The facilities needed at Misawa Air Base to maintain and operate the F-16's and accommodate the attendant personnel and dependents will be jointly funded by the U.S. and the GOJ. Our beddown plan proposes funding $98 million of the initial beddown requirements through the military construction program and $275 million by the Government of Japan. Additional facility construction not required for initial operating capability may be required in the future.

This year's increment of $29.9 million will begin the alteration and construction of operational, maintenance, munitions and other support base facilities. The GOJ's parallel program will provide approximately $76 million for accompanied and unaccompanied housing, logistics facilities and utilities.

MEDICAL READINESS

The last major readiness issue I would like to discuss concerns the ability of our medical forces to support sustained contingencies in Europe and the Pacific.

Threat assessments in both theaters indicate a need for substantial medical support early during hostilities. Existing in-theater assets are insufficient based on projected casualties. To resolve this shortfall of assets, the Air Force must preposition additional medical war readiness materials. Our plan is to utilize existing off base facilities of opportunity where available through host nation support and construct new storage facilities on bases where none presently exist.

This year's request contains $2.4 million for the Pacific theater and $4.2 million for Europe. It represents the first phase of a five year program totalling approximately $60 million.

MODERNIZATION

The modernization portion of our military construction program addresses facility projects needed to improve and maintain the quality of life of our personnel, upgrade their workplace and meet national objectives in the areas of energy conservation, pollution abatement and occupational health and safety. Some $843 million of projects are included in this year's modernization program.

UNACCOMPANIED PERSONNEL HOUSING

Ranking first among our quality of life initiatives is our unaccompanied personnel housing improvement program. Initiated in 1976, this program has consistently received the strongest support and endorsement from the Congress. Its objective is to provide adequate housing for all eligible enlisted and officer personnel.

Approximately 43,000 adequate spaces will have been provided with the completion of the Congressionally approved fiscal year 1983 program. Some 80,000 spaces remain to be upgraded, replaced or constructed. The Air Force goal is to complete this initiative with our fiscal year 1989 program.

This year's request totals $219.5 million for forty-four projects. Significant among them are projects to provide 348 spaces at Shemya, Alaska, a remote island in the Aleutian chain and 1,018 enlisted spaces for our personnel stationed in Korea.

We are deeply grateful for your outstanding support of this program in the past and solicit your continued cooperation in providing adequate quarters for America's finest young men and women in the future.

MEDICAL

Equally important in maintaining the quality of life of our personnel and their ability to perform their varied wartime and peacetime missions is the provision of modern, efficient medical care. The Air Force medical construction program is a continuing effort to support this health care by providing necessary facilities.

The fiscal year 1984 component of our medical construction program totals approximately $91 million. Included are major medical facility replacement projects at Eielson Air Force Base, Alaska and Minot Air Force Base, North Dakota.

UPGRADING THE WORKPLACE

The current replacement value of the Air Force's worldwide plant exceeds $103 billion. Over $30 billion of this total predates the end of World War II and over $50 billion predates the Korean Armistice. The majority of these facilities were constructed from wood or composite materials with an expected life of five years. Last year the Congress recognized the problems and costs associated with continuing to operate and maintain such facilities, and it directed the Services, under the guidance of the Department of Defense, to commence replacement of their World War II wooden buildings.

The senior leadership of the Air Force has for several years recognized the urgency of upgrading its aging facilities and programmed substantial resources toward this requirement. A backlog of $8.5 billion of urgent projects has been identified. Our current fund profile is designed to reduce this backlog to a manageable level by 1988.

This year's budget contains $460 million to modernize the workplace of our civilian and military personnel. In addition to improving work force productivity, these projects will help reduce operating and maintenance costs and contribute to energy conservation goals. At a recent House Appropriations Committee hearing on the quality of life within the military, senior enlisted advisors of all the services testified to the importance an adequate workplace plays in job satisfaction and career plans of our junior and intermediate grade enlisted personnel.

Priority modernization projects include replacement of the aircraft maintenance complexes at Offutt Air Force Base, Nebraska, and Eielson Air Force Base, Alaska, replacement of the primary heat plant at K.I. Sawyer Air Force Base, Michigan, and consolidation of the airlift training functions at Altus Air Force Base, Oklahoma.

ENERGY

As in previous years, our program also reflects our continuing effort to conserve energy through facility improvements. Our energy conservation investment program, project designs, and research efforts are all focused on providing cost effective, energy efficient facilities. The energy conservation investment program continues to be the most significant contributor to reduced consumption of facility energy. With the approval of our $36.7 million fiscal year 1984 program, we will have invested over $400 million (including military family housing) and will achieve significant savings over the fiscal year 1975 baseline. We are projecting a 20 percent reduction by fiscal year 1985 and continue to press for further ways to save energy through project design, better maintenance and other management actions.

ENVIRONMENTAL PROTECTION

$36.0 million have been requested to achieve the more stringent water quality standards promulgated by EPA and the states and support regional wastewater treatment and disposal programs. To this end, we have included $24.5 million to assist in the upgrade of the Jacksonville, Arkansas, municipal system supporting Little Rock AFB; the San Antonio, Texas, municipal system which supports Brooks AFB, Kelly AFB, Lackland AFB, and Ft. Sam Houston; and the full connection of Chanute AFB, Illinois, to the village of Rantoul System. Also, included in this request are $11.0 million to completely upgrade the industrial waste treatment facilities at Kelly AFB, Texas, and $0.5 million to provide sewage flow equalization facilities at the U.S. Air Force Academy, Colorado.

With ever increasing awareness of the potential hazards associated with the disposal of toxic and hazardous substances, we anticipate future programs will include funds for such purposes.

Mr. Chairman, by its nature, the environmental protection program must be phased over several years as criteria and standards are developed. Although our budget for these programs has been limited, we have kept pace with the incremental requirements and intend to pursue our objective of ensuring all Air Force locations are within standards.

MILITARY FAMILY HOUSING

This year's Military Family Housing request totals approximately $947 million. It is comprised of $171 million for new construction, improvements and planning and design; $661 million for operations and maintenance; $59 million for leases; $4 million for debt interest and mortgage insurance; and $51 million for repayment of the principal for Capehart and Wherry mortgages.

New construction

Our 1984 request, based on priority of need, provides 1075 new housing units at seven locations: two new Strategic Training Range bases in Montana, with an aggregate of 55 units; Lajes in the Azores, 150 units; Camp New Amsterdam, 50 units; RAF Upper Heyford, 300 units; the final increment of GLCM housing at RAF Greenham Common, 250 units; and the first increment of Peacekeeper requirements at F.E. Warren AFB, 270 units.

It will take seven years to eliminate our worldwide housing deficit of approximately 15,000 units, if our programmed funding levels are approved by Congress.

Improvements

The major portion of the 140,000 Air Force housing unit inventory is more than 25 years old. Most have insufficient space and poor functional layouts for modern life styles. Kitchens and bathrooms are antiquated and lack features such as dishwashers and garbage disposals common to comparable private sector housing. Energy conservation was a limited concern when most of the units were constructed.

Our fiscal year 1984 program contains 45 improvement projects for 8,603 units and 12 energy conservation projects for 7,931 units. The current FYDP long range funding profile will permit us to eliminate the improvement backlog by 1990.

Operations and maintenance

For the last three years, we have had to reprogram monies from maintenance to operations to cover "must pay" costs. Continued reprogramming of maintenance is self defeating and undesirable. Our fiscal year 1984 housing operations and maintenance request recognizes the following: must pay costs to operate and maintain our existing inventory; transfer of Air Force housing units to the Army for their operation and maintenance under the Oahu (Hawaii) Consolidation Plan; and a "good business sense" reduction in furniture and appliance backlogs. Our O&M program has been priced in accordance with specified escalation and foreign currency exchange rates. Based on our current funding profile, it will take until fiscal year 1990 to reduce the backlog to a manageable level ($150M).

Leasing

Where more economical than building, the Air Force acquires housing through lease programs to supplement assets available in foreign communities. We are requesting authorization for 8,772 units overseas. This includes new units in Okinawa (500) and Greece (200).

Because of the time lag between authorization and occupancy of units, we are requesting appropriations for an average of 6,662 units. The domestic program continues to be phased out, shrinking from over 1,000 units in fiscal year 1980 to less than 100 units during fiscal year 1984. The remaining leases will be dropped as current tenants are reassigned.

SUMMARY

In conclusion, we wish to assure the Committee that this program is an appropriately balanced approach toward satisfying the broad spectrum of Air Force construction requirements. We thank you for this opportunity to present this year's Military Construction Program.

EXECUTIVE SESSION

Senator **Mattingly**. I think at this time it will be necessary for the subcommittee to go into executive session in order to receive briefings on some classified matters.

Anyone who is not cleared for that information is asked to leave the hearings at this time. An unclassified version of the matters discussed will be printed in the hearings of the subcommittee.

General Wright, I ask you to have your staff insure that all people have proper clearances.

The subcommittee will now go into executive session.

[Whereupon, at 8:15 a.m., Tuesday, April 19, the subcommittee proceeded in executive session.]

EXECUTIVE SESSION

TUESDAY, APRIL 19, 1983

The subcommittee met in executive session in room 116, Dirksen Senate Office Building, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

DEPARTMENT OF THE AIR FORCE

STATEMENT OF MAJ. GEN. CLIFTON D. WRIGHT, DIRECTOR OF AIR FORCE ENGINEERING AND SERVICES

ACCOMPANIED BY:

BRIG. GEN. JAMES W. CALLAGHAN

BRIG. GEN. JOSEPH AHEARN

GROUND LAUNCHED CRUISE MISSILE

[CLERK'S NOTE.—The slides referred to in the following briefing are classified. They are, therefore, withheld from the hearing.]

General **WRIGHT**. We will go with the ground launched cruise missile briefing first and I do not know if you have had any background briefing on this system and the construction related to it. But this will bring it into focus for you, hopefully.

General Callaghan will brief you.

General **CALLAGHAN**. Mr. Chairman, it is a pleasure for us to be here this morning.

This next slide outlines the areas that are covered as I go through this briefing on the ground launched cruise missile.

OPERATIONS FOR GLCM

The concept of operations for GLCM is built around the flight which is the basic GLCM unit. When deployed to the field, the major components which we show here will be accompanied by 16 support vehicles with a total manning of 69 people; 44 of the 69 provide basic security with the remainder used in maintenance, operations, medical, and command areas.

During peacetime, the transporter erector launchers, launch control centers, and missiles will be stored in a conventionally hardened shelter which will be located in the GLCM alert and maintenance area. We call that the GAMA which is essentially a specialized nuclear weapons storage facility. During times of tension, GLCM flights will disperse to covert locations in the field. Tests to date of the dispersal concept indicate that it enhances the overall flight survivability and that it is a do-able option.

QRA SHELTERS

This next slide is an artist's depiction of an operational quick reaction alert or QRA shelter. Each base will have one of these QRA shelters which will house alert crews and also serve as the alternate command post. With the exception of the crew living quarters, other GLCM shelters in the GAMA are identical.

This slide shows the range of target coverage GLCM's will provide when all 464 missiles are deployed. Essentially, GLCM and Pershing II deployment permits coverage of targets in the Soviet Union which are [deleted].

Before covering country-by-country deployment status, I would like to review briefly NATO's December 1979 decision.

Following 2 years of study, the NATO Foreign and Defense Ministers decided that Soviet deployments of SS–20 missiles required NATO to build both the GLCM and Pershing II. The Ministers also decided that in a parallel effort the United States should pursue with the Soviet Union arms control negotiations involving the intermediate range nuclear force.

This NATO decision also called for deployments to start in late 1983. This chart outlines the alliance deployment plan.

There will be two deployment locations in the United Kingdom, RAF Greenham Common with a scheduled December 1983 operational capability and RAF Molesworth with a [deleted] operational capability. [Deleted] will be deployed in the United Kingdom.

GLCM deployment progress in the United Kingdom has been notable and it is on schedule. Construction has started at RAF Greenham Common and [deleted] RAF Molesworth.

RAF GREENHAM COMMON CONSTRUCTION

With regard to construction at RAF Greenham Common, the first hardened shelter is over 80 percent complete. Necessary facilities to support GLCM deployment in 1983 will be ready when required.

This chart, like all of the country-specific charts, shows fiscal year 1984 funding. Although military family housing, the dependent school, and some community support facilities were deleted in the fiscal year 1983 budget, we are requesting that they be funded in fiscal year 1984.

Our analysis indicates that if GLCM's are to be deployed at a site for over 5 years, accompanied tours result in lower overall program costs. In addition, we feel accompanied tours result in enhanced morale and reduced disciplinary actions.

COMISO; SICILY DEPLOYMENT

In Italy, 112 GLCM's will be deployed at Comiso on the Island of Sicily.

Construction began at Comiso in April 1982, about 1 year ago. Necessary facilities will be ready to support the personnel and equipment arrival associated with the scheduled [deleted] operational capability. In fact, by [deleted] a full flight of equipment to include trained personnel will be on site in Sicily. Although accompanied tour facilities were cut in fiscal year 1983, we are requesting that these facilities be funded in fiscal year 1984.

As is the case for RAF Greenham Common, analysis indicates that in the long run accompanied tours result in lower overall costs.

The deployment site in [deleted].

All of the necessary actions to permit GLCM deployment to proceed as planned in [deleted] are underway. We anticipate that construction will commence [deleted].

[Deleted.]

You will note that funding [deleted] like all of the sites, is phased with the fiscal year 1984 request limited to those minimum essential facilities needed to meet the [deleted] operational capability.

This chart shows the magnitude of the overall construction effort associated with GLCM deployment in Europe.

Senator MATTINGLY. What is that for?

General CALLAGHAN. This is for the complete program.

Senator MATTINGLY. Through what fiscal year?

General CALLAGHAN. Through 1988.

Senator MATTINGLY. All right.

FACILITIES AND EQUIPMENT SUPPORT

General CALLAGHAN. Facilities and equipment will be ready to support the start of GLCM deployment in 1983. In fact, approximately 8 months from now. As the preceding charts have illustrated, the fiscal year 1984 request continues to build on the phased approach to facility construction. That is, minimum essential facilities to support the operation are requested in the first year, followed in subsequent years by community support projects.

It should also be noted that the fiscal year 1984 request will complete military construction at four of the bases and starts the fifth.

TOUR FACILITIES

Finally, the request includes accompanied tour facilities. As we have noted several times already in the briefing, our analysis clearly indicates that overall operational effectiveness is improved since accompanied tours result in lower overall costs, reduced personnel turnover, enhanced morale, and fewer discipline problems.

Mr. Chairman, that completes the prepared remarks which we have on the ground launched cruise missile.

Senator MATTINGLY. Thank you.

COLLOCATED OPERATING BASE PROGRAM

General CALLAGHAN. Our next topic for discussion, sir, will be the collocated operating base program for fiscal year 1984.

During a major NATO crisis or war, the U.S. Air Force plans to augment our 700-plus aircraft in Europe with approximately [deleted] Conus-based fighter reconnaissance and support aircraft. [Deleted] percent or almost [deleted] of these aircraft would deploy to collocated operating bases or COBs.

[Deleted] of these [deleted] aircraft deploying to COBs are without adequate support facilities today. This lack of facilities seriously jeopardizes the effective employment of these active duty, Reserve, and National Guard forces.

Although the deploying force must have essential wartime facilities, it would cost over $1 billion to construct all of these facilities which we show here; $1 billion is more than we expect to obtain from NATO and U.S. funding in the near term.

MINIMUM ESSENTIAL FACILITIES

In view of this, we are concentrating on obtaining only those minimum essential facilities or MEF, required to sustain combat operations.

MEF includes dispersed parking but not shelters for the aircraft and on-base storage for a 7-day supply of POL and munitions.

The estimated cost of providing MEF at all of the COB's is about $300 million in fiscal year 1983 dollars. Even considering this limited goal of providing only MEF at our COB's, the current situation is not good. Only [deleted] of the 71 COB's will have minimum essential facilities this year. Stated in another way, we could accommodate [deleted] of the [deleted] aircraft destined for the COB's.

While we continue to work hard to arrange NATO funding for the COB MEF program, we are also requesting U.S. prefinancing to accelerate the construction of high-priority facilities for over [deleted] aircraft.

Our request for $44.1 million in fiscal year 1984 would fund the construction effort with emphasis on [deleted] beddown locations and support of NATO's flanks. This effort adds needed forces to the flanks and gives NATO the capability to counter mass armor assaults across the European flank. While expected NATO funding and the requested U.S. prefinancing will solve many of our force beddown problems, we still see a pressing need for progress on COB's in Turkey.

MOU WITH TURKEY

After long and hard negotiations, we have just concluded a formal Memorandum of Understanding with Turkey. The MOU allows U.S. forces to deploy to [deleted] Turkish bases in times of crisis or a war in support of approved NATO defense plans.

We are proceeding with the detailed planning and programing to suport air operations from these bases. Our emphasis on preparing for air operations from Turkey lies in the strategic location of that country.

In the west, Turkey controls the sea lane for Soviet naval access through the Dardanelles to the Mediterranean. In the east, Turkey lies in the path of direct Soviet access to Syria and the Mideast.

NATO has long accepted control of the Turkish Straits and the Dardanelles as a key to protecting its Mediterranean approaches in a major conflict. [Deleted.] In both cases, operations from Turkey could be essential to success.

Turkey, with the second-largest standing army in NATO [deleted]. In the meantime, if attacked, Turkey and NATO will rely heavily on U.S. Air Force reinforcement forces.

We currently plan to deploy [deleted] aircraft to Turkey. These aircraft face [deleted] in the entire COB program. Turkish air fields have [deleted] facilities or capacity to support additional forces. In their current status, the bases provided for in the COB/MOU offer real challenges for our planners to ensure continued operations [deleted].

Our No. 1 priority in Turkey is to combine efforts with the Turks in building an entirely new airfield for joint use at Mus in Eastern Turkey. Mus is roughly 130 nautical miles from the Soviet border and about the same distance from the nearest Iranian border. [Deleted] with a nominal unrefueled air defense combat radius of [deleted] nautical miles would beddown there.

In addition to building the air base at Mus, we propose to upgrade the present base at Batman, approximately 180 miles from the Soviet border. With the proposed upgrades, [deleted] with a combat radius of up to [deleted] nautical miles could deploy there.

In support of this initiative, we are requesting $66.7 million in fiscal year 1984. Of this, $51.4 million will be used to prefinance construction at Mus and $15.3 million at Batman. Because of the austere condition at these locations, we will be requesting an estimated [deleted] more in fiscal year 1985 to complete the work.

Senator **Mattingly**. Go back and tell me on those two bases back there, how much was going to be ours and how much was going to be preplanning?

General **Callaghan**. $51.4 million will be used to prefinance construction at Mus, and $15.3 million at Batman for a total request of $66.7 million in fiscal year 1984.

Senator **Mattingly**. That is NATO, but they want us to pay it all?

General **Wright**. Mr. Chairman, we will recoup these dollars from NATO.

Senator **Mattingly**. So far we are not doing too well.

General **Wright**. We are not doing as well as we would like.

Senator **Mattingly**. We are getting back about 60 cents on the dollar right now.

General **Wright**. But we have been pressing that very hard with NATO.

Senator **Mattingly**. All right.

General **Callaghan**. Completion of these projects will enable us during NATO operations to deploy fighter aircraft deep into eastern Turkey. These aircraft will [deleted].

These improved capabilities will necessarily introduce a strong complicating factor into Soviet military planning for forces in the Trans-Caucasus region.

We believe that prefinancing COB/MEF and the eastern Turkey airfields are militarily sound investments with potential benefits greatly in excess of our costs.

These remarks complete what we have prepared for the COB program.

Senator **Mattingly**. Go right along.

General **Callaghan**. A change of heading now after two subjects in Europe.

This briefing was developed to provide you with the specific rationale for the selection of the F-16 in Misawa Air Base as to weapon system and location best suited for a PACOM force add to offset the growing Soviet threat in Northeast Asia.

SOVIET THREAT IN PACIFIC

I will begin by covering the expanding Soviet threat in the Pacific.

Since 1981, the Soviet Air Force has added [deleted] Backfire bombers in the Far East and we expect the total to reach [deleted] in 1983.

There are now [deleted] swing-wing Fencer within the Soviet Far East Military District. [Deleted] Foxbat and Flogger interceptors have modernized the Soviet force structure facing Northeast Asia.

The new aircraft capabilities include longer ranges, an all-weather night capability, larger payloads and improved missiles.

Overall, however, the Soviet force structure in the Far East has remained constant at about 2,000 fighters and bombers while they have concentrated on improving force quality.

This slide gives you an idea of the area the Soviet can attack with these aircraft.

From [deleted].

SOVIET NAVAL AVIATION

Soviet naval aviation expands the threat even farther. [Deleted.] Backfires can reach out to our B–52 base on Guam, to Northern Luzon in the Philippines and even to the Aleutians.

[Deleted] Badgers can reach well into the Philippine Sea beyond Japan.

The SS–20 mobile IRBM has added a further dimension to the Soviet threat in Northeast Asia. PACOM has no comparable weapon system.

The [deleted].

Northern territories, were occupied by the Soviet Union at the end of World War II and remain an unsettled, contentious issue between the Soviets and the Japanese. Just last year, the Soviets deployed [deleted] Mig–21's are expected.

The Soviet aircraft carrier *Minsk* is homeported in Vladivostok with [deleted] Forger aircraft.

Soviet naval aviation now has [deleted] Backfires at Alekseyevka. By the end of 1983, [deleted] will be operational with Soviet naval aviation for ground attack missions.

Soviet surface combatants have been modernized and increased [deleted].

SOVIET SUBMARINE FORCE

Finally, Soviet general purpose submarines have increases [deleted] and nuclear attack-cruise missile submarines have increased [deleted].

The Soviet Pacific Fleet is now the largest of the four Soviet fleets.

Arrayed against these Soviet Forces, PACAF has six operating bases in Korea, Japan, and the Philippines [deleted].

Even with the two aircraft carriers normally on station with the U.S. 7th Fleet in WESTPAC and the [deleted] fighters, PACOM has only [deleted].

The U.S. Navy and Marine Corps assets [deleted].

Therefore, the [deleted] may be the only U.S. forces initially available against the Soviet threat which we discussed a moment ago.

In a global war scenario, [deleted].

The key point is that [deleted].

There are three primary missions which are assigned to PACOM, offensive counter air, [deleted].

Interdiction, [deleted] and the interruption of lines of communications.

Maritime missions [deleted] and providing land based air cover for friendly naval forces and shipping.

PACOM MISSION REQUIREMENTS

CINCPAC lists [deleted] as a No. 1 priority requirement to cope with PACOM mission requirements across the Pacific.

[Deleted] and currently is not expected to be [deleted].

This slide highlights the vast distances with which CINCPAC must cope; 3,400 natuical miles from Hickam to Tokyo and 2,000 from Clark in the Philippines to Vladivostok.

This scale depiction of the United States inserted between Hawaii and Japan, with room to spare, puts the PACOM distance problem in perspective.

Given this threat and PACOM's mission requirements, then why select the F-16?

First, as we noted earlier, [deleted].

The A-10 is a close air support aircraft which is not designed for the offensive counter-air, interdiction, or maritime missions.

F-15's are optimized for air defense.

Therefore, the F-16 as a multimission aircraft is the best available choice.

First, the F-16 can [deleted].

Unrefueled, F-16 mission profiles are less than the optimal low altitude, high speed attack that the U.S. Air Force would prefer to employ in a high-threat environment.

The F-16 can perform antiair and antiship roles [deleted] in support of Navy maritime operations.

Further, the F-16 can assist in controlling sea lanes of communication by [deleted].

Under the United States-Japanese Mutual Security Treaty of 1960, the F-16 can assist in the [deleted] defense of Japan.

The F-16 [deleted].

Japan will retain primary responsibility for her own air defense. The F-16 can respond rapidly to [deleted] contingencies without time-consuming and costly CONUS airlift.

In summary, the F-16 is available now to offset the Soviet threat and convey U.S. Government resolve to maintain the security of our vital interests in the Pacific.

From Misawa Air Base, Japan, the [deleted] depict the area within with the F-16 can accomplish its interdiction and offensive counterair missions.

Both the [deleted] are based on an [deleted].

As you can see, the F-16 [deleted].

With the F-16 identified as the best available choice for the PACOM missions, the Air Force considered these factors in selecting a beddown location—the column on the left is keyed to the column on the right.

SOVIET THREAT IN NORTHEAST ASIA

First, the threat is Soviet air and naval forces in Northeast Asia.

In addition to [deleted] of PACAF's [deleted] aircraft are already in Korea.

Without major costly construction of additional runways, ramp space and maintenance facilities [deleted].

In order to minimize the adverse impact on the Tactical Air Force, the U.S. Air Force determined that the F-16 tours must be accompanied. Remote tours would shorten stabilized tour lengths [deleted]. This reduction in tour length would degrade our tactical fighter operational capability by requiring that greater resources be devoted to training.

Remote basing could require third remote tours for some F-16 pilots, increase PCS costs, and increase family separation. The end result would be reduced retention.

HOST NATION SUPPORT

Finally, the Air Force sought to minimize costs through host nation support. The six existing bases listed below were all determined to be inadequate for mission requirements for the reasons listed to the right.

These preceding factors led the Air Force to select Misawa Air Base as the most suitable location for F-16's because:

Misawa is [deleted].

Also, Misawa is an existing U.S. Air Force base. As such, Misawa has significant infrastructure in place which further holds down costs.

The Government of Japan is prepared to support the bed down with $275 million for housing and support facilities, reducing even further U.S. Government costs.

From Misawa [deleted] available for contingency deployment throughout PACOM.

From Misawa the [deleted] contingencies but without costly and time-consuming CONUS airlift or air refueling sorties.

Under the September 30, 1982, agreement, in principle, [deleted] and the Director General, Japan Defense Agency, the Government of Japan will fund $275 million for construction of housing and support facilities at Misawa.

This $275 million constitutes 74 percent of the beddown cost with the U.S. Government providing the remaining $98 million in MILCON for F-16 operational facilities.

While not a bed-down cost for facilities required to initiate operations at Misawa [deleted].

The Government of Japan has programed [deleted] for Misawa [deleted]. The Japenese Diet approved the Japanese fiscal year 1983 budget on April 4 and the Government of Japan is now financially committed to the Misawa beddown.

The Government of Japan is looking for an indication of U.S. Government commitment to the Misawa beddown by [deleted] so that the Government of Japan Misawa construction funds can be programed in the Japenese fiscal year 1984 budget.

Approval of the $29.9 U.S. MILCON will suffice to establish this U.S. Government commitment. The key point is that the Misawa F-16 force add is the [deleted].

Sir, this completes the prepared comments we had on this subject.

U.S./SOVIET AIRCRAFT

Senator MATTINGLY. When you were referring to the number of aircraft that the Soviet Union has versus what we have, what was that, 2,000?

General CALLAGHAN. Fred, give me a backup No. 6. Let me show you a slide, sir, that may be of interest to you. Please, give me the regional comparison slide.

The comparison would, of course, depend on the numbers that are counted.

Senator MATTINGLY. [Deleted.]

General CALLAGHAN. Somewhere is that range approaching [deleted] if Chinese forces were involved around [deleted].

Senator MATTINGLY. I would think that would be a pretty good presumption.

General CALLAGHAN. I said if they were, sir.

Senator MATTINGLY. Well, if they were on our side.

General CALLAGHAN. It would make a considerable difference.

Senator MATTINGLY. How about as far as quality?

General CALLAGHAN. The Soviet aircraft have been modernized, they are third-generation aircraft. They are the best that the Soviets have to offer.

ALLIED/SOVIET FORCE COMPARISON

Senator MATTINGLY. Have you made a force comparison between our allies and them?

General CALLAGHAN. I would say that they are farther along in their modernization than we are. Some of our allies are operating aircraft such as the F-5's, A and B, which are substantially behind in terms of technology.

Senator MATTINGLY. All right.

General CALLAGHAN. This slide shows the types of aircraft possessed by allies and friendly air forces. As you can see, there are many F-5A's and B's which are 1950's technology; A-37's which are modifications of an aircraft which the United States Air Force developed as a trainer; Hunter Aircraft—there are some vintage airplanes in the allied inventory whereas, as I pointed out earlier, the Soviets have modernized to third-generation aircraft. They are the best that the Soviets have to offer.

Senator MATTINGLY. All right.

General WRIGHT. Sir, that completes our three formal briefings. If you have any questions on the program we would be pleased to answer them.

Senator MATTINGLY. We have some we will submit to you for the record.

General WRIGHT. Fine.

Senator MATTINGLY. As you know, today the President is going to make his announcement on the MX, his formal announcement.

Can you tell us when you are going to have information to provide our committee regarding projects to support the deployment of the MX in this latest move?

General WRIGHT. Yes, sir. I would hope in 2 or 3 weeks to have a clear picture of what we will need for military construction to support 100 missiles in existing Minuteman silos.

Senator MATTINGLY. When you provide that information, will you also provide information for the 50. Can you just divide it in two?

General WRIGHT. Well, I do not think we can just divide it in two, I would have to look at that. But I can probably break it down depending on the numbers.

MINUTEMAN MODERNIZATION

Senator MATTINGLY. Could you also supply information insofar as if they decide to modernize the Minuteman itself, if that would require military construction.

General WRIGHT. Yes, sir.

Senator MATTINGLY. I could figure that one out myself, that would be zero.

As you well know, the nuclear freeze movement over in Europe and the President's arms reduction initiatives are probably going to have some impact on the deployment of GLCM's in Europe.

Now, has the Air Force determined what projects may not be necessary at various locations, if, for example, some type of agreement would be made to where they are going to take down some of the SS-20's and we will reduce the number of missiles that we would be deploying?

General WRIGHT. From a construction standpoint I have not looked at that. I would suspect—and I will let General Callaghan help me here [deleted].

You might amplify that, Jim.

General CALLAGHAN. We would expect, sir, that the guidance on that point would be developed by the NATO Ministers as was the original guidance to deploy.

PRIORITIZATION OF BASES

Senator MATTINGLY. I might ask you this question before you start. Do you have a prioritization as to bases currently, which ones are more important than others?

General CALLAGHAN. From a policy point of view, no, sir.

Senator MATTINGLY. I do not know as far as policy, but surely you have ones that you would rather have and you would rather not have.

General CALLAGHAN. The reason I cannot give you a priority, sir, is that the system of six bases in five different countries was developed as directed by the NATO Ministers and as directed to us by the President.

Until we are told to do otherwise, we have not developed a roster of priorities among those bases.

Senator MATTINGLY. There are no priorities in the six.

General CALLAGHAN. There is a list of construction priority requests. That is to say how they would be phased into the program.

Senator MATTINGLY. There are some of them that you have were going to be finished in [deleted] or something like that, and some of them were going to be finished sooner.

General CALLAGHAN. Yes, sir.

Senator MATTINGLY. There are some of them you want to complete.

General CALLAGHAN. If you look at the way construction is progressing right now in the United Kingdom, at Greenham Common and Italy at Comiso and at the third country, it would become obvious from that standpoint that you would want to look at the last two bases.

Senator MATTINGLY. You have not made a decision on that at this time, the decision will be reached later this year.

General CALLAGHAN. That is correct, sir. And yet, at the same time, we have no reason to believe right now that we cannot make the [deleted]. Unless the guidance to the Air Force is modified we can make those dates.

Senator MATTINGLY. I guess it would be up to the Armed Services Committee, trying to get the priority I was referring to. If they decide they are going to take out an *x* number of SS-20's we are not going to deploy as many. Then we will need to decide which base we are going to drop.

General WRIGHT. When there is a decision on that, then we can back out of some of the construction, depending on where.

OVER-THE-HORIZON BACKSCATTER RADAR

Senator MATTINGLY. Will you tell the subcommittee more about the Over-the-Horizon Backscatter Radar and where will this system be located?

General WRIGHT. Sir, the Over-the-Horizon Radar now is being installed in Maine.

Senator MATTINGLY. In Maine?

General WRIGHT. Around Bangor, Maine, yes, sir. That is the initial site and the site consists of three elements. Those are the elements that are in this year's program.

Next year, there will be a site on the west coast in the area of the California-Oregon border.

Senator MATTINGLY. What are the costs involved in the program this year and the future?

General WRIGHT. This year we are asking for $11.6 million, and the program goes out through fiscal year 1988. I would have to add up a line of numbers here.

Senator MATTINGLY. You can submit that for the record.

General WRIGHT. It is $155 million for the total program. There are three sites, ultimately. The southern site has not been selected yet.

PAVE PAWS SYSTEM

Senator **Mattingly**. The PAVE PAWS system, I understand, provides radar detection for sea launched ballistic missiles aimed at our country, North America. Please tell us what construction is involved in the fiscal year 1984 program and the outyears.

General **Wright**. For PAVE PAWS, sir, the 1984 program is $3.6 million at Robins Air Force Base. Next year we are proposing dollars, construction requirements at Goodfellow Air Force Base in Texas, and followon upgrade of some of the existing sites at Beal Air Force Base in California and Otis Air Force Base in Massachusetts.

Senator **Mattingly**. There is one in Texas and one in Georgia.

General **Wright**. There will be four locations total.

Senator **Mattingly**. Are they all going to be completed about the same time?

General **Wright**. No, sir. Beale in California and Otis are already completed. Robins will be the next one, and then the last one will be in Texas.

Senator **Mattingly**. But fiscal year 1984 does not complete Robins; does it?

General **Wright**. It completes the support construction and then the rest of the system is funded from other dollars. The total construction cost for the PAVE PAWS system is $18.5 million at all four sites.

ALCM FUNDING

Senator **Mattingly**. On the ALCM you are requesting $20 million for fiscal year 1984. Now, since the administration is planning to terminate the ALCM production, what impact will such a decision have on the approved, requested, and planned facilities for the current ALCM?

General **Wright**. Sir, the program will not be terminated. The current missile will be dropped and a new generation missile developed and brought along.

That will not affect the military construction program required to support the overall ALCM system.

Senator **Mattingly**. You do not know if they are going to keep the line open for another year.

General **Wright**. No, sir, I do not know. Jim might know.

General **Callaghan**. No, I do not.

General **Wright**. I do not know that, sir.

Senator **Mattingly**. Do you have any information on the facilities needs with regard to the new ALCM?

General **Wright**. As near as we can determine now, there is no change. Most of the facilities we are constructing are storage and maintenance building. Essentially it will be the same cost. The size of the missile will not change substantially.

B-1 BOMBER

Senator **Mattingly**. On the B-1, another controversial system that we have, the request this year for facilities is $8.8 million.

Will that money support the aircraft presently under construction or are the facilities sized for out-year buys of the aircraft?

In other words, is the money just designed for the aircraft coming on board, on for future needs?

General WRIGHT. No, sir; it will support the complete system as it is now configured. The construction in Texas will support the number of aircraft going into that location. Dyess will also be the combat crew training base for the B-1.

So, there will be additional construction required at Dyess as we go downstream. But no change in design of the facilities. The sizing of the facilities basically will support the entire system. It may have to be expanded, depending on if additional airplanes are added.

Senator MATTINGLY. That is what I am getting at. That is what I am talking about.

General WRIGHT. For example, if we are geared to 100 B-1's right now, if in the future there is an increase to 200 or 300, I think there will be additional military construction requirements.

Senator MATTINGLY. Now what if they narrow it down to 50 B-1's?

General WRIGHT. I would have to look at that, sir. I can provide that for the record.

Senator MATTINGLY. We are going to need some information on that, too.

General WRIGHT. I do not think there will be any change in the construction at Dyess. That is the basic training base and the wing beddown. But there may be some out-year reductions.

Senator MATTINGLY. I think we ought to take a look at some of those. We are going to have to have on hand some of the different cost scenarios.

General WRIGHT. We can develop them for you.

Senator MATTINGLY. You should develop them, I think there are going to be questions asked on that soon.

MINOT AIR FORCE BASE HOSPITAL

The budget had a request for a new hospital at Minot Air Force Base in North Dakota.

General WRIGHT. Yes, sir.

Senator MATTINGLY. Both the Senators from North Dakota are members of the Appropriations Committee and both have had their staff in touch with our subcommittee regarding this project because they have received a lot of mail, mostly negative, concerning the cost of $38 million for the project.

Can you tell us something about the project and why the existing hospital cannot be used or renovated? What is going to be done with the present facilities if the hospital is constructed?

General WRIGHT. Yes, sir. The existing hospital is located in downtown Minot, N. Dak., about 16 or 17 miles from the base. It was built in 1949.

It is not in compliance with current life safety codes and it has structural, mechanical and utility deficiencies right now. We are able to save manpower by bringing a new hospital on the base.

Senator MATTINGLY. A how-many-beds hospital will it be?

General **Wright**. The new project will provide 47 beds.

Senator **Mattingly**. For $38 million?

General **Wright**. Forty-seven beds for inpatient care; 24 dental treatment rooms, and numerous clinics and other functions for outpatient care.

Senator **Mattingly**. And you are going to have to move the golf course around.

General **Wright**. There are a couple of holes of the existing golf course that will have to be moved.

Senator **Mattingly**. Is this important to our national defense?

General **Wright**. The hospital is.

That is a good project, sir, and I know we are running into some opposition from the delegation from North Dakota.

Senator **Mattingly**. It will probably cost less to build a hospital out there than a Government building.

General **Wright**. I do not know that, but this is a good investment. I think we are talking about savings of something like 27 or 28 manpower spaces by getting the hospital on base.

Senator **Mattingly**. Is that calculated in the $38 million?

General **Wright**. Well, it would obviously not amortize it overnight.

Senator **Mattingly**. Or several nights.

HEAT PLANT AT CHANUTE AIR FORCE BASE

General **Wright**. Also, our committee has received requests to consider an add-on project for the heat plant at Chanute Air Force Base in Illinois. What is the status on that project and could it be put under contract in fiscal year 1984?

First, where is the plan now?

General **Wright**. The project is currently under design and it is about 35 percent. It is a large project.

Senator **Mattingly**. When was it projected to be built?

General **Wright**. In 1985. We were going to bring it to the Congress next year at about $80 million.

That is a difficult project to split because we can end up with conceivably three different contractors if we do it. We end up with one contractor doing the site preparation work; one doing the heat distribution lines that support the plant, and one doing the plant. That is not the most efficient way to manage a large construction project like this.

We would prefer to do it in one year. I know that is a large chunk to seek from Congress.

Senator **Mattingly**. And how much is it?

General **Wright**. It is about $80 million.

Senator **Mattingly**. In other words, you do not think you could have a break-out cost?

General **Wright**. I could, it can be done, do not misunderstand me.

Senator **Mattingly**. Can you give us something on that?

General **Wright**. Yes, sir. We have looked at that. We could break out maybe $12 to $15 million for again initial site preparation work and installation of some of the distribution lines on the base.

Senator Mattingly. What would happen if you had less than that?

General Wright. It would be tough. If I had to break it out I would want to do it that way.

Senator Mattingly. If you could give us a breakout on that it would be helpful to us and Senator Percy, I guess.

General Wright. Yes, sir.

BIDDING CLIMATE

Senator Mattingly. The committee has been very interested in the present bidding climate, the savings that can be attained. What are your estimates now for savings for fiscal year 1983?

General Wright. For fiscal year 1983?

Senator Mattingly. Yes, in other words, the bids.

General Wright. Let me ask General Ahearn to address that, sir, he has the specifics.

General Ahearn. Sir, the execution of our 1983 program at this moment is about 30-percent complete. The experience has been that the bids are running about 70 percent of the programed amount that was approved.

At this moment in aggregation we have savings of about $225 million that have been accrued as we have executed the tail end of the fiscal year 1982 program and the 1983 program to date.

Senator Mattingly. Have you noticed in the last 30 days, let me say, any change in the bids? Are they still running about at the same level?

General Ahearn. Sir, we think the bidding has bottomed out. The bidding of the past 3 or 4 months was, I think, at a survival rate where the companies were really down at rock-bottom prices. We see the prices leveling out now. We would anticipate a slight upturn as the economy begins to rebuild.

Senator Mattingly. In other words, they are still running roughly 70 percent?

General Ahearn. Yes, sir.

DAVIS-BACON

Senator Mattingly. We touched on this before, do you have any more ideas about Davis-Bacon as far as military construction?

General Wright. No, sir. I asked the question this morning and we have had no action on that subject since we last talked about it.

Senator Mattingly. Do you still feel like we could get some more money?

General Wright. I have a personal view there that I think we could if we did not have Davis-Bacon.

Senator Mattingly. I try to bring that up because I just do not want us to forget about it.

STICK-BUILT FAMILY HOUSING

In the area of family housing, the Armed Services and Appropriations Committees directed that a test be done at Fort Irwin, California, comparing stick-built with manufactured housing. Would you explain what "stick-built" is, also.

The committees further directed that all new family housing construction should be built to the standards which allow for either stick-built or manufactured housing to compete.

What portion of the fiscal year 1983 request for family housing has been put out for bid or awarded?

General WRIGHT. Let me define "stick-built" for you, sir. That is the conventional way of building a house, framing a house up from scratch that you see every day.

Senator MATTINGLY. All right.

General WRIGHT. Manufactured housing is pre-engineered to some degree and that varies depending on how you do it from the factory. It is put on a truck and hauled out to the site and then erected on the site.

There are some who believe that manufactured housing is the panacea to a lot of problems in housing construction. I do not believe it is the complete answer. There are some situations in some cases where manufactured housing is good. Transportation becomes a big factor when you buy a house from the factory in North Carolina and you are going to build it in Texas, you have to haul it out there. So, it depends on the location of the manufacturer.

We do not have any big hang-up with manufactured housing. In fact, we are writing a new set of specifications for family housing construction that will enable all manufacturers to compete at the bidding table. We are only interested in quality.

Senator MATTINGLY. Now they do not compete?

General WRIGHT. In the past we have written the classical specification that calls for a standard design, a wood frame or concrete panel housing.

We are now going to more or less of a performance oriented specification or requirement specification that says, "We want a house of so many square feet that will do this and provide this." So, it will enable them all to compete.

Senator MATTINGLY. When do you expect to be able to use that?

General WRIGHT. We are running a test with the Fort Irwin spec right now at two locations, at Powell, Wyoming and Fort MacArthur, in California. So, we are using that specification right now.

Senator MATTINGLY. Then why could you not use it everywhere?

General WRIGHT. We will. We intend to use that type spec in all future projects.

Senator MATTINGLY. We will probably want to find out if we are doing this with the Army and the Navy.

General WRIGHT. Yes, sir; we are working the specs together with them.

MANUFACTURED HOUSING COST SAVINGS

Senator MATTINGLY. Being now the chairman of the Rural Housing Committee on Banking also, we just went through the same scenario in that area, that a lot of manufactured housing that you can purchase now is equal to stick-built.

General WRIGHT. Some of it is good, you cannot tell the difference. If the average person buying a home walks in the door he never knows the difference.

Senator MATTINGLY. The only difference is in the cost.

General **Wright**. It is like a stick builder. You can get some work there that is not good quality, and you can buy some preengineered or manufactured homes that are not good quality, depending on what you are willing and able to pay.

Senator **Mattingly**. I will not go into my own personal experiences.

The only other thing we ought to get some time is the current status check on the prefinancing of the repayment.

I believe that is all we have time for today. I am supposed to go to the White House as you well know, General. Are you going to go?

General **Wright**. No, sir, I was not invited.

SUBMITTED QUESTIONS

Senator **Mattingly**. Well, you have already read about it.

Thank you, General Wright, and your staff for your testimony and presentations. All the information is helpful to the subcommittee as we continue our budget review process.

There will be some questions that you all can respond to in writing.

[The following questions were not asked at the hearings, but were submitted to the Department for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

QUESTION. "Does this airlift shortfall reduce the urgency for funding COBs?"

ANSWER. No, the airlift shortfall does not reduce the urgency to fund COBs. The GAO identified airlift shortfall will result in late unit closures; however, these units will deploy and will require the facilities provided in the COB program. Further, the improvements provided will enhance the survivability and utility of those aircraft which are in the theater at the time hostilities begin. The late closures mentioned in the GAO report amount to days, not a protracted period, and in no way influence either the necessity or urgency to fund COBs.

COBS

Question: GAO states "Fuel bladders could be used for temporary fuel storage." Why, then, is construction of fuel storage facilities at COBS considered necessary?

Answer: Permanently installed fuel storage facilities are required at COBS to support sustained flight operations. Fuel bladders are sufficient for short-term additive requirements but lack capacity and deteriorate in long term storage (with fuel) or under heavy use. Further, fuel bladder systems are much more vulnerable to sabotage or attrition under attack. COB prepositioned fuel requirements call for seven days storage that only permanently installed systems can provide.

Question: GAO also states that "munitions are already stored outdoors with host nation concurrence at U.S. bases and depots throughout USAFE." Why, then, is construction of munition storage facilities at COBS considered necessary?

Answer: USAFE has insufficient munitions storage facilities at U.S. bases, central storage areas (sic depots), and collocated operating bases (COBS). Munitions are presently stored outside at U.S. bases and central storage areas only because USAFE does not have sufficient munitions storage facilities to properly warehouse these assets. However, the Air Force has programmed military construction totaling 113 million dollars to overcome this situation.

Proper munitions storage facilities must be constructed at COBS, as well as U.S. bases and central storage areas for the following reasons:

A. Survivability. Numerous documents indicate munitions storage areas will be high priority targets during airfield attack. Studies indicate it is not unlikely to expect [deleted] percent of the facilities in a munitions storage area to be destroyed during the first day of an attack. Earth covered igloos afford a greater degree of protection and a smaller target foot print than munitions stored outside.

B. Stockpile requirements. USAFE munitions shortfalls consist mainly of missiles and other guided munitions which require inside storage.

C. Security. In both peacetime and wartime, munitions stored in open revetted pads or modules are a lucrative target for hostile elements bent on theft, sabotage, or destruction. In fact, it is conceivable that [deleted].

D. Flexibility. Open-air modules and revetted pads cannot be used for long term storage of many munitions items. As newer, sophisticated munitions become available we must have more igloo storage.

E. Maintenance. Open storage definitely increases inspection and maintenance requirements. At locations where significant quantities of munitions are being stored in the open, maintenance backlogs have been experienced.

F. Service/shelf life. Deterioration of assets stored in the open will decrease the life of our stockpile, thereby increasing procurement costs.

G. Reliability. Associated with the more rapid deterioration of assets stored in the open is decreased reliability.

ALCM

Question: What is programmed for Military Construction associated with ALCM deployment in each of the next five fiscal years.

Answer: The following ALCM is currently programmed for the next five fiscal years in the President's Budget.

FY 84 - $ 20.0M
FY 85 - $ 37.7M
FY 86 - $ 82.1M
FY 87 - $105.2M
FY 88 - $ 14.6M

However, ALCM construction requirements for FY 86 through FY 88 are, being revised.

Question: In view of the decision to halt production on the present ALCM and equip it with stealth technology, how will military construction requirements be changed.

Answer: No revision to construction requirements is planned at this time.

QUESTION: Provide production schedule that was proposed for ALCM each before and after the decision to substitute the ACM for the ALCM.

ANSWER: FY 83 President's Budget ALCM production schedule:

	FY83	FY84	FY85	FY86	FY87	FY88	To Complete	Total
Quantity	440	440	480	480	480	480	355	4348

FY 84 President's Budget (revised) ALCM production schedule.

	FY83	FY84	FY85	FY86	FY87	FY88	To Complete	Total
Quantity	330	240	0	0	0	0	0	1763

Question: Provide production schedule for ACM.

Answer: Details of the ACM program are specially controlled under "Special Access Required" procedures. Procedures have been developed to provide this material through the Committee Staff.

QUESTION: Provide delivery schedule by base of ALCM plus ACM by fiscal quarter.

ANSWER: The following table is provided to show the planned ALCM-B delivery schedule at each base. Included is the recent decision to procure no more than 240 missiles in FY 84. Not included are 12 pre-production missiles and 12 lost. Due to the classified nature of the Advanced Cruise Missile (ACM) program the production quantities and program schedule are not releasable. Costs and schedule information of the ACM will be made available to any committee member through the committee staff.

	FY 83				FY 84			
	1	2	3	4	1	2	3	4
Griffiss	194	218	218	218	218	218	218	218
Wurtsmith	105	195	219	218	218	218	218	218
Grand Forks	12	24	104	213	218	218	218	218
Fairchild			26	38	118	214	214	230
Blytheville						14	122	214
Carswell								

	FY 85				FY 86			
	1	2	3	4	1	2	3	4
Griffiss	230	242	242	242	230	230	230	230
Wurtsmith	242	242	242	242	242	242	242	242
Grand Forks	245	245	245	245	245	245	245	245
Fairchild	242	257	257	245	245	245	245	245
Blytheville	234	244	244	244	244	244	244	244
Carswell		46	128	223	322	382	442	502
Barksdale						4	16	31

GLCM

Question: What is programmed for GLCM Construction in each of the next five fiscal years?

Answer: There is $269.9 programmed over the next five years for construction of facilities, family housing and dependents schools. A funding profile for GLCM construction is provided below:

	FY85	FY86	FY87	FY88	FY89
MILCON	91.4	31.0	-	-	-
HOUSING	85.9	31.4	-	-	-
SCHOOLS	30.2	-	-	-	-
	207.5	62.4	0	0	0

Question: What portion of GLCM costs is being paid by NATO in each of the years.

Answer: NATO has programed $234 million in support of GLCM operational facilities. As of April 1983 NATO has programmed $175 million, and the remaining $59 million, is programmed in FY84 (SLICE 35).

Question: Why shouldn't NATO pick up the cost of family housing and other facilities at GLCM facilities as the Government of Japan is expected to do in Misawa?

Answer: Due to the political sensitivity of the

Japanese Constitution their burden sharing efforts have primarily been in support of nonoperational facilities, whereas, NATO funds for operational facilities.

NATO construction criteria must be agreed upon by all 15 member nations, a much greater task as compared to negotiating criteria between just Japan and the U.S.. In addition it would be extremely difficult for NATO to develop a construction criteria for family housing and dormitories that all member nations would agree on due to the dichotomy associated with the standard of living among the nations, i.e. U.S. vice Turkey.

Question: What efforts have been undertaken to secure an increased NATO contribution for GLCM facilities?

Answer: The GLCM criteria was expanded to make the following operational facilities eligibile for NATO infrastructure:

- Additional Storage.

- Semi-hardened Security Control Facility.

- Above ground segregated ammunition storage.

- Wing Headquarters.

GLCM SITES

QUESTION: What workaround will you use to provide unaccompanied housing, dining and other support pending completion of facility construction at each location? Provide the amount of funds expended from all sources for workaround.

ANSWER: In order to provide essential personnel support facilities at Comiso, Sicily to meet the initial GLCM deployment date, porta-cabin facilities will be erected. These temporary facilities have been acquired on a limited, short duration of lease to accommodate USAF personnel [deleted].

The cost of these interim personnel support facilities is $6 million - $1.8 million for facilities procurement and utilities, $.2 million for short-term leasing, $2.6 million for operational facilities and $1.4 million for additional training. NATO will provide $2.1 million of the $6 million total.

QUESTION: Why couldn't temporary solutions be continued while withholding construction of permanent support facilities until negotiations on ICBM numbers are completed with the USSR?

ANSWER: This question proceeds from the assumption that the US might not deploy the Ground-Launched Cruise Missile in Europe and therefore we would not need the funds requested for permanent support facility construction. While we obviously do not want to prejudge the outcome of the INF Arms Control negotiations, the Soviets have made it clear that they are not prepared to reduce to zero the number of SS-20 missiles they have deployed. The US has offered as a compromise to consider reductions to a level other than zero. [Deleted.]

AIR BASE SURVIVABILITY

QUESTION: What efforts are being undertaken to improve air base survivability world-wide?

ANSWER: Air Base Survivabilty (ABS) is the name for a renewed Air Force effort to ensure enough people, aircraft, and key supporting systems at theater air bases can survive an enemy attack so that our airpower can be continuously and effectively employed. This requires a spectrum of capabilities to prevent, limit, and quickly repair damage to our bases. We cannot afford to satisfy all of our requirements in the next five fiscal years. Our early plans are directed to plugging voids and to providing a balance between capabilities in the diverse ABS areas. In other words, doing what makes good military and business sense. First priority goes to solving the needs of our in-place and rapid reactor forces going to US main operating bases. Augmenting forces going to collocated operating bases present a longer term challenge.

As early as the 1960s, the Department of Defense (DoD) recognized the need to protect its forces. As a consequence, DoD placed emphasis on constructing semi-hardened facilities, such as squadron operations buildings and aircraft shelters in the European and Pacific theaters to partially satisfy our needs. With improved enemy capabilities, theater air bases have become increasingly vulnerable. As the threat increased, individual functional areas sought solutions to their part of the problem. Rapid runway repair, explosive ordnance disposal, air base ground defense, and chemical/biological warfare defense are examples. In April 1981, Air Force leaders conducted a review of ongoing base survivability efforts. They concluded base survivability was so important to effective air operations that a systematic, integrated effort was needed rather than continue the fragmented functional approach.

While many ABS efforts are not new, the emphasis on integration and a common goal distinguishes the renewed ABS thrust from earlier efforts. Based on the Air Force leaders' recommendation, two special activities were formed to lead the development of comprehensive, balanced and affordable programs. The ABS Group in the Directorate of Operations is the Headquarters US Air Force focal point for ABS policy and resource advocacy. A Systems Management Office at Eglin AFB, FL, is the field activity charged with integrating the analysis, development, testing, and procurement of improved ABS capabilities and with ensuring capabilities are fielded without delay. These two organizations are guided by a Headquarters US Air Force ABS Steering Committee. To complement these activities, each major command has designated a focal point for ABS efforts. We also plan to form ABS integration/planning offices at each theater air base in the near future.

ABS is a large and complex program with many mutually supporting activities. The five major elements under the ABS umbrella are active defense, passive defense, base recovery, command, control, and communications (C^3) survivability, and aircraft enhancements.

The active defense efforts are designed to destroy the enemy and reduce his attack effectiveness. The sub-elements include point air, ground, and tactical ballistic missile defenses. The Air Force is improving point air defenses in the United Kingdom and has improvement plans for Korea. We are addressing the remainder of our worldwide point air defense requirements with the US Army and with host nations. We are also organizing and equipping active duty and Air National Guard security police forces to counter the enemy special operations ground threat to our bases. We are working with the US Army for solutions to the missile threat.

The thrust of passive defense measures is to minimize the direct and collateral damage from the enemy forces that penetrate the active defenses. The four sub-elements are chemical/biological warfare defense, physical protection, resource dispersal, and camouflage, concealment and deception. The Air Force has a major program to provide individual chemical/biological warfare defense equipment to its forces and to provide collective protection to permit sustained operations. We are looking at ways to improve physical protection while minimizing semi-hardened construction needs; looking at on and off base dispersal, and pursuing effective base camouflage, concealment, and deception techniques.

Base recovery efforts are intended to return a damaged base to an operational condition as quickly as possible. The sub-elements are damage assessment, explosive ordnance disposal, rapid runway repair, alternate launch and recovery systems, and critical facility repair. The Air Force program calls for buying the recovery equipment and materials needed at each theater main operating base and stand-by base.

The fourth major element is included because secure, survivable, non-jammable C^3 and air traffic control is essential for active defense and base recovery activities as well as for mission tasking and aircraft control.

Aircraft enhancements play as the fifth major element in ABS. Anything we can do to or for an aircraft to improve its landing and takeoff performance or its ground mobility minimizes our immediate airfield repair requirements. The Air Force is looking at ways to taxi aircraft off paved surfaces to avoid craters; pursuing modifications that make aircraft landing gear less sensitive to surface roughness; and investigating short take-off and landing technologies.

In concert, these efforts will improve our ability to survive and operate. Our specific ABS requirements are derived from our analyses of the threats against our air bases. The requirements are given substance by our major commands and critically reviewed by Headquarters US Air Force during our budget building process. Because of the complexity of ABS and the dependency between the many appropriations involved, we hold an annual ABS investment strategy meeting. We review the current and emerging threats to our air bases; assess the results of research, development, and acquisition efforts; establish new direction for research and development; and adjust our investment approach to achieve the biggest and quickest capability improvements. Our primary measure of effectiveness for ABS investments is the number of assured combat sorties we can reasonably expect to gain by providing any one or a combination of capabilities.

The ABS programs are not just hardware oriented. We are pursuing better operational procedures and additional integrated training. We are working with other Services and allied nations to take advantage of their efforts and technology. We are also working with NATO and host nations to gain maximum funding and manpower support from them to satisfy our needs.

The Air Force has made big strides in integrating its ABS efforts. However, we readily admit that much work remains to be done. ABS investments will not be cheap, but they will be important. ABS improves the usefulness of our readiness, sustainability, modernization, and force structure investments. ABS enables our forces, which would otherwise be grounded following an enemy attack on our bases, to continue the air war.

QUESTION: What is programmed for military construction in each of the next five fiscal years to support base survivability improvements?

ANSWER: Military construction is an important, but relatively small, part of the Air Force air base survivability (ABS) efforts. The AF FY 84-88 base survivability program is listed by categories.

CATEGORY	FISCAL YEAR ($ Millions)				
	84	85	86	87	88
Semi-Hardened Construction	9.1	13.0	29.2	49.4	52.5
Revetted Facilities	5.7	3.8	1.8	0.3	1.5
Collective Protection	9.7	15.4	10.9	11.9	12.4
ABS Equipment Storage			2.7	13.7	20.4
Alternate Launch & Recovery Surfaces			6.8	14.3	75.8
TOTAL	24.5	32.2	51.4	89.6	162.6
(Amount of the total for Europe)	(9.5)	(24.9)	(25.1)	(60.8)	(92.2)

In the semi-hardened category, In-shelter Aircraft Refueling is programmed for USAFE. Wing operations, squadron operations, command posts, and a Quick-Turn facility are slated for PACAF. Survival recovery centers and Air Traffic Control centers are identified for both commands.

Revetted facilities are programmed for communication sites, command posts, and photo processing and interpretation facilities.

The Air Force chemical defense program seeks to add collective protection to facilities. The $5.9 million request in FY 84 for PACAF is to install collective protection shelter modification kits to buildings in Korea. The remaining FY 84-88 program seeks conjunctive funding to add collective protection to NATO Infrastructure semi-hardened facilities. Collective protection is not eligible for NATO Infrastructure funding because chemical warfare defense is specified as a national responsibility.

The ABS equipment storage is being programmed concurrently with the buy of ABS capabilities. Additional equipment and materials are programmed for bases to satisfy ABS capability requirements in rapid runway repair, camouflage, concealment, and deception, etc. Some of those items must be protected from the weather. The ABS equipment storage is essential, because most theater bases do not have excess covered storage. Since these facilities support national responsibilties, they are not NATO Infrastructure eligible.

Alternate Launch and Recovery Surfaces (ALRS) are programmed for all theaters. Stabilized soil or thin asphalt surfaces provide redundant operating strips which significantly improve the chances of having a launch and recovery surface immediately available following an attack for aircraft operations. Emphasis is on low cost. An ALRS is not intended to have runway lights, and its designed service life will not be suitable for daily operations. In addition, cheaper construction techniques are being especially developed for ALRS. The ALRS is not intended to be a nice-to-have, second fully operational runway at any base.

In the case of European construction, the Air Force only included projects in these categories which are not NATO Infrastructure eligible or which have little to no chance of becoming eligible for or funded by NATO Infrastructure.

Dispersal is an important element in overall force survivability. Consequently, the Air Force funding needs for minimum essential facilities (MEF) at collocated operating bases are also listed.

($ Millions)

	84	85	86	87	88
MEF	15.5	16.7	18.0	23.9	23.0

QUESTION: During past budget reviews, this committee has deferred or denied several survivability initiatives based on cost or uncertainty of threat and requirements. These items have included Mini-Fab shops, WRSK-BLSS storage, personnel and medical survivability shelters, and alternate aircraft landing and launch surfaces. Have you devised and planned or implemented alternate solutions to these programs in any scope?

ANSWER: The Air Force does have plans for alternate solutions to some of the programs but has not yet implemented them. The Air Force is very sensitive to guidance provided by the Congress concerning military construction requirements. We specifically note the recurring direction to pursue NATO Infrastructure funding; pursue increased use of host nation support; better demonstrate the need for projects; pursue less costly construction alternatives; negotiate the expansion of Infrastructure criteria, and give more emphasis to PACAF.

Our early fund requests are modest to ensure we do smart things. We have revalidated our requirements and have eliminated or modified earlier requests. Where possible, we have concentrated attention on less costly options. We are pursuing alternatives to semi-hardened construction and to conventional paving techniques. We plan to use flexible storage methods. We have modest increases in our program to satisfy PACAF needs. We have ABS manpower and equipment requirements in the host nation support agreement with the Federal Republic of Germany. Most importantly, we have tried hard to get NATO Infrastructure criteria changed to make many of our survivability projects eligible for NATO funding. We were not successful. However, a shortage of Infrastructure funding versus projects already eligible was the problem, not lack of merit.

For European construction needs, the Air Force recognizes the desirability of funding all military construction projects through the NATO Infrastructure program. Through the Department of Defense, the Air Force can continue to push for changes in Infrastructure criteria. The merit of doing so, however, is questionable considering earlier rejections and the very large backlog of already eligible programs. We believe the ABS programs are important enough to warrant increased unilateral funding of projects not NATO eligible. We know the projects can be deferred, but that will not make them better or more likely to be funded later. It will just perpetuate our vulnerability.

QUESTION: Identify those solutions and the amounts and sources of funds used or to be used?

ANWSER: The current air base survivability efforts do include alternatives to semi-hardened WRSK-BLSS storage and personnel survivability shelters and to alternate launch and recovery surfaces.

The alternate launch and recovery surfaces (ALRS) were described in a previous answer. We programmed the alternate surfaces to be funded from the 3300 Military Construction appropriation. The Air Force program is not intended to be a repeat of the FY 79 request. Our approach is to build one or more limited use surfaces based on special pavement designs at each theater air base where the threat justifies them. Both the limited use and special design factors drive the unit cost down in our attempt to make ALRS more affordable. We are again programming for alternate surfaces because of the significant increase in sortie generation capability that we can achieve if these surfaces are available following an enemy attack. Our analysis, based on sophisticated models developed by the Rand Corporation, shows the average probability of base closure is reduced 20 percent with a single alternate surface. The average number of craters that need to be repaired before an aircraft can land or launch is reduced by 34 percent. This reduced repair requirement allows us to launch aircraft sooner. Multiple surfaces at each base improve the percentages even more. The FY 84-88 programmed costs are $96.9 million.

Personnel survivability shelters are part of the Air Force chemical warfare defense program. At present, most Air Force personnel can continue operations in a chemically contaminated environment only for the length of time they can work in protective clothing without food and rest. Because we are forced to fight from fixed locations, we are convinced that collective protection is essential for the Air Force to attain a capability for sustained combat operations. We had previously sought to provide collective protection by requesting military construction funds for underground, semihardened facilities. These requests were consistently denied by the Congress because the cost was considered too high. We have found an alternate solution which reduces the unit cost from $20,000 to $5,000 per shelter space, and we are planning to procure these survivable collective protection systems (SCPS) starting in FY 84 using 3080 Other Procurement appropriations. The SCPS are completely factory assembled, concrete sections which are joined on-site to form an airtight shelter. The shelter is completely self-contained with an air filtration system, generator, and chemical sanitation. The SCPS requires no connection to base utility systems. The FY 84-88 costs of this effort is $295.7 million. Full disclosure of Air Force plans on this issue was made to the Chairman, Subcommittee on Defense, Senate Appropriations Committee on 11 May 1983.

The Air Force feels that because of their limited quantities and importance to sustaining air operations, WRSK-BLSS assets need some degree of protection from collateral damage should a base be attacked. The assets are generally stored nearby to where they would be used. These areas are likely to be targeted. The WRSK-BLSS storage facilities that we have programmed are reinforced concrete, constructed with blast doors and buried under an earth embankment. While they are not designed to semi-hardened construction standards, we feel they do provide a reasonable level of protection for WRSK-BLSS assets. Because the estimated cost of a complete facility is below the military construction threshold, we are funding the requirement from (d) O&M appropriations. The FY 84-88 costs are $20.1 million.

TAC

QUESTION: How many tactical wings are currently deployed?

ANSWER: There are 27 combat coded tactical fighter wings formed in the active Air Force. They are assigned to MAJCOMs as follows: 14 in Tactical Air Command, 8 in U.S. Air Forces Europe, 4 in Pacific Air Forces and 1 in Alaskan Air Command. Currently, none of these general purpose forces are deployed from their assigned locations beyond the requirements of occasional training exercise deployments.

QUESTION: Is the Air Force planning an increase in the number of tactical fighter wings?

ANSWER: Air Force plans are to increase from the current 36 tactical fighter wings to 40 wings by 1988.

Question: What military construction funds are programmed for each of the next five years to support expansion of tactical fighter wings?

Answer: Military construction funds to support expansion of tactical fighter wings are programmed as follows: FY85, $5.23 million at three locations; FY 86, $0; FY 87, $2.5 million at one location; FY 88 and FY 89, $0.

Question: What military construction is programmed in the future for realignment of tactical fighter/reconnaisance aircraft?

Answer: No military construction is programmed in the FYDP for realignment of tactical fighter/reconnaisance aircraft.

QUESTION: Which bases in the U.S. have previously, at any time, had in excess of one tactical fighter wing assigned? Which bases currently have more than one tactical fighter wing assigned?

ANSWER: CONUS fighter basing has not changed in the past ten years, consequently the answer provided is valid for both parts of this question. Presently there are five U.S. tactical bases that have more than a single tactical fighter wing, each base has a unique arrangement and will be explained separately. George AFB has two tactical fighter wings. Nellis AFB and Holloman AFB both have a tactical fighter wing and a tactical training wing assigned. Luke AFB, a major training complex, has two tactical training wings. Langley AFB has a tactical fighter wing and a separate fighter interceptor squadron.

QUESTION: Identify bases that currently support dual-based or rotational tactical/reconnaisance missions and the installations involved.

ANSWER: Three CONUS tactical reconnaisance squadrons are dual-based. Shaw AFB has one squadron dual-based at RAF Alconbury. Bergstrom AFB has two dual-based squadrons, one to Aviano AFB and one to Zweibrucken AFB. There are two tactical fighter squadrons stationed at Seymour-Johnson AFB that are dual-based at Ramstein AFB.

QUESTION: Identify planned future dual-based or rotational tactical reconnaisance missions and the installations involved.

ANSWER: Dual based tactical reconnaisance squadrons will remain as currently established. With continued modernization of USAFE fighter assets (d). The dual-based site will continue to be Ramstein AFB.

ASAT

QUESTION: When will the anti-satellite program achieve IOC?
ANSWER: [Deleted.]

QUESTION: Are any military construction funds programmed for ASAT? If so, provide for the record funds which are programmed for each of the next five fiscal years?
ANSWER: Military construction funds programmed for ASAT in the FY 84 PB are as follows: FY 85, $10.7M; FY 86, $11.3M.

QUESTION: Provide a list of alternative beddown locations and the rationale used or the chosen sites.
ANSWER: The ASAT-equipped F-15s will be located at Langley AFB, VA, and McChord AFB, WA. These sites were chosen because: 1) they provide locations where a timely interception of target satellites can be acommplished; and 2) F-15 aircraft and maintenance facilities for the aircraft were already scheduled at those locations for other missions.

CSOC

QUESTION: Why has the IOC on CSOC slipped from June 1987 to December 1987?
ANSWER: The CSOC will be brought to operational capability in several phases. The first satellite control operational capability will be provided by the activation of the first satellite Mission Control Center in December 1986. Transition of Shuttle operations to the CSOC will commence with the activation of the Flight Planning Element in December 1987.

The dates for these first satellite and Shuttle control capabilities have not changed over the past year since submission of our FY 83 budget request.

Question: What is the total cost for CSOC construction?
Answer: The Military Construction Program has three projects to construct the facilities for CSOC. The first project is the FY 83 MCP CSOC Phase I with a programmed amount (PA) $67.7 million; the second is the FY 84 MCP CSOC Phase II with a PA of $73.75 million; and the third is a $1.25 million Defense Access Road project. The total for the three projects is $142.7 million.

QUESTION: What is programmed for each of the next five fiscal years?
ANSWER: The $75.0 million requested for FY 1984 completes the construction program for the baseline CSOC. No additional construction funds are programmed for the out years.

Question: When will a construction contract be awarded?
Answer: A contract for CSOC site preparation was awarded on May 5, 1983. This was the initial contract on the FY 83 MCP CSOC Phase I.

Question: Has design on CSOC been frozen?
Answer: All the design criteria for CSOC have been fixed as of April 5, 1983.

Question: Have you encountered any design problems or cost problems on CSOC?

Answer: As with any hi-tech facility, there have been start-up design problems with CSOC. In particular, we have had problems determinating criteria for electromagnetic security and equipment interface. These problems have been resolved through technical interchange meetings between the user and design agent and monthly management review meetings. Current working estimates for both the FY 83 and 84 CSOC projects are below the programmed amount or within authorized limits.

Question: Do you desire to proceed on cost-plus such as you now advocate for the STS?

Answer: No, the first construction contract was a competitively bid, fixed-price contract awarded to the low bidder, and we plan to continue this method of contracting for the rest of CSOC.

QUESTION: In a recent article retired Air Force Col., Dr. Robert M. Bourman charged that CSOC "will be vulnerable to attack or sabotage by the most meager of forces." Please respond to that charge.

ANSWER: The CSOC is consciously designed to eliminate the present day-to-day vulnerabilities of our satellite and Shuttle control network which relies on vulnerable, non-redundant control centers. As an additional interoperable control center, the CSOC will make the survivability of the network, as a whole, greater than the survivability of any single control center within the network.

When the CSOC is operational, the network will be able to continue providing both satellite and Shuttle control services even if any one of the control centers should become inoperative. The same result could not be achieved by simply expanding the present satellite and Shuttle control centers.

The CSOC, itself, is designed to survive natural events, accidents, and unvectored sabotage (e.g., terrorism). This protection is appropriate for peacetime, crisis, and most theater warfare scenarios. The mid-continental CSOC siting minimizes the risk of natural hazards like earthquakes or hurricanes, and minimizes the vulnerability to intelligence collection and stand-off threats such as electronic jamming.

The CSOC will be located within a double fenced area surrounded by clear zones, lighting, electronic perimeter intrusion detectors, and a closed circuit television system. An automated entry control system and armed entry controllers will ensure positive control over authorized entry to the installation and controlled internal areas. An armed, mobile security force will be provided to prevent unauthorized entry and to neutralize hostile forces seeking to damage the installation.

STS

QUESTION: When will Shuttle launch operations begin at Vandenberg?

ANSWER: Orbital Flight Test - Vandenberg (OFTV) is the first Shuttle launch from Vandenberg and is scheduled for October 1985. Processing of the various elements of flight hardware necessary for the launch will begin in early 1985.

QUESTION: Why has full operational capability been deferred until 1987?

ANSWER: As a cost deferring measure and in recognition of a lower than projected early launch rate at Vandenberg, NASA and the Air Force agreed to defer the operational availability of certain Vandenberg Shuttle facilities for up to two years after the first launch (i.e., from October 1985 to 1987). The Air Force is thereby able to defer equipment investment and reduce manpower growth in the 1982-1985 period. Since each of the deferred capabilities is essential for launch, NASA agreed to provide those capabilities using Kennedy Space Center. For example, the capability to fully refurbish an Orbiter after launch was deferred. Kennedy will accomplish those tasks and, for the first year and a half of Vandenberg operations, will provide to Vandenberg a refurbished Orbiter. The Air Force will reimburse NASA for that support which was available due to a lower then predicted launch rate at Kennedy. The Air Force will have the Vandenberg facility fully operational by 1987, to meet the rising Vandenberg launch requirement -- at which time Kennedy support is projected to be unavailable (due to increased traffic at Kennedy).

QUESTION: What is the total cost of the STS facility at Vandenberg?

ANSWER: The current Air Force projection for the acquisition cost of Vandenberg is \$2.7B of which \$550M are in the Military Construction appropriation.

QUESTION: How much has been spent to date?

ANSWER: The Air Force has spent \$1.6B (through FY 83) for the acquisition of the Vandenberg Shuttle capability of which \$440M (through FY 83) is in the Military Construction appropriation.

QUESTION: Air Force Magazine recently reported that planners envision "at least ten launches per year from Vandenberg." Yet a report just received by the Congress from the National Research Council states that Vandenberg will have a longer orbiter turnaround time than at Kennedy which will result in "lower utilization of the orbiters assigned to be launched at Vandenberg. The report continues: "the turnaround at Vandenberg Air Force Base is projected to be about 60 days -- four to five flights per year." Please respond to this report's findings.

ANSWER: Turnaround time is a function of many variables. At a minimum, the turnaround time at Vandenberg will equal the Kennedy experience plus the additional time to account for significant differences between Kennedy and Vandenberg -- predominately the integrate on pad concept at Vandenberg versus the integrate transfer and launch concept at Kennedy. At the maximum, turnaround time will expand to fill the available time between launches in order to reduce peak manloading. The early launch rates at Vandenberg (four to five per year) will allow longer average turnaround times. Specific launch pairs may require shorter turnaround times if they have relatively fixed launch windows. Launch rates at Vandenberg are also governed by the Shuttle fleet capacity. A 24 flight per year Shuttle fleet will fly approximately six flights per year from Vandenberg. A 40 flight per year Shuttle fleet will fly approximately ten flights per year from Vandenberg.

QUESTION: How many flights are presently planned each year at Vandenberg?

ANSWER: The latest Vandenberg traffic model follows (taken from the 24 flight Shuttle mission model for flights from both Kennedy and Vandenberg)

FY	86	87	88	89	90	91
DOD	2	3	3	5	6	3
Civil	1	1	1	0	0	3
Total	3	4	4	5	6	6

QUESTION: Why has the Air Force postponed completion of facilities for processing the Shuttle's solid rocket booster motors until 1987?

ANSWER: As a cost deferring measure and in recognition of a lower than projected early launch rate at Vandenberg, NASA and the Air Force agreed to defer the operational availability of certain Vandenberg Shuttle facilities for up to two years after the first launch (i.e., from October 1985 to 1987). The Air Force was thereby able to defer the equipment investment and reduce the manpower growth in the 1982-1985 period. Since each of the deferred capabilities is essential for launch, NASA agreed to provide those capabilities using Kennedy Space Center. Only a portion of the SRB processing capability at Vandenberg is deferred since some Vandenberg SRB processing capability must be operational for all launches. The SRB recovery facilities at Port Hueneme are not deferred and must be operational for the first launch. The Air Force will reimburse NASA for the support provided at Kennedy. The Air Force will have the Vandenberg facility fully operational by 1987, to meet the rising Vandenberg launch requirement -- at which time Kennedy support is projected to be unavailable (due to increased traffic at Kennedy).

QUESTION: Will this degrade Shuttle operations at Vandenberg Air Force Base?

ANSWER: No. In the interim the postponed Vandenberg capability will be provided by NASA at Kennedy (for which the Air Force will reimburse NASA).

QUESTION: What is the status of construction of these facilities?

ANSWER: Construction of the SRB processing facilities on South Vandenberg is complete. The SRB recovery facilities at Port Hueneme have just started - (3%) complete.

QUESTION: Construction of the orbiter maintenance and checkout facility is scheduled to be completed this year. Yet it will not be activated until 1987. Why?

ANSWER: As a cost deferring measure and in recognition of a lower than projected early launch rate at Vandenberg, NASA and the Air Force agreed to defer the operational availability of certain Vandenberg Shuttle facilities for up to two years after the first launch (i.e., from October 1985 to 1987). The Air Force was thereby able to defer the equipment investment and reduce the manpower growth in the 1982-1985 period. Since each of the deferred capabilities is essential for launch, NASA agreed to provide those capabilities using Kennedy Space Center. Some of the capability of the Orbiter Maintenance and Checkout Facility will be activated for the first launch. The capability to fully refurbish an Orbiter after launch was, however, deferred. Kennedy will accomplish those tasks and, for the first year and a half of Vandenberg operations, will provide to Vandenberg a refurbished Orbiter. The Air Force will reimburse NASA for that support which was available due to a lower then predicted launch rate at Kennedy. The Air Force will have the Vandenberg facility fully operational by 1987, to meet the rising Vandenberg launch requirement -- at which time Kennedy support is projected to be unavailable (due to increased traffic at Kennedy).

QUESTION: How will this degrade early shuttle operations?
ANSWER: It will not. In the interim the postponed Vandenberg capability will be provided by NASA at Kennedy (for which the Air Force will reimburse NASA).

QUESTION: What have been the findings of test to examine the possible icing problems on the external tank?
ANSWER: Tests have shown that prevailing humidity, temperature, and wind conditions at Vandenberg AFB create a high potential for severe ice formation on the surface of the Shuttle External Tank after cryogenic propellants have been loaded. Based on the NASA levied "no ice" requirement, tests results combined with analyses show a 35% probability that icing conditions will exist on the pad and will, therefore, preclude launch unless other measures are taken. The cost, schedule, and mission impacts associated with this low probability of launch (65%) are not acceptable.

QUESTION: What military construction requirements will be necessary to overcome this problem and at what cost?
ANSWER: The Ice Suppression System is composed of two jet engines; hot-air (engine exhaust) ducting; engine start system; an air entrainment system; two concrete vaults for the engines; a lubrication system; a fuel system; a fire detection and suppression system; gas temperature, velocity and mass flow gauges; and remote control and operating equipment. The Project will be designed and constructed in two phases. Phase I will provide the necessary facilities to suppress ice formation on the liquid hydrogen tank located in the lower portion of the External Tank. The cost for this phase is $6.6M (FY 84). Phase II will provide the necessary facilities to suppress ice formation on the liquid oxygen tank located on top of the liquid hydrogen tank. Cost estimates for Phase II range from $3.5M to $11.2M depending upon the design chosen for implementation.

QUESTION: What is the status of work on the launch pad?
ANSWER: The construction activities at the launch pad are divided into five major "packages"

Package I - Demolition of the unwanted portion of the existing Manned Orbiting Laboratory (MOL) launch pad and excavation of the site

Status: Complete

Package II - Construction of the "fixed" area of the launch pad: Launch mount, exhaust ducts, access tower, payload preparation room.

Status: 98% Complete

Package III - Primarily construction of the mobile facilities of the launch pad: Mobile Service Tower, Payload Changeout Room

Status: 84% Complete

Package IV - Modification of the existing MOL Launch Control Center to Shuttle configuration

Status: Complete

Shuttle Assembly Building: Construction of the SAB on the site of the Payload Changeout Room.

Status: 3% Complete (Construction just began; SAB will be constructed in the site of the Payload Changeout Room which first had to finish construction and be moved aside.)

QUESTION: When will it be complete and operational?

ANSWER: The individual elements of the launch pad (e.g., Payload Changeout Room) will complete construction, undergo equipment installation and checkout, be subjected to a ground systems test and then be certified for operations by an Integrated System Test. The launch pad will, therefore, reach operational status incrementally. The last element of the launch pad, the Shuttle Assembly Building will complete construction in December 1984. The launch pad will be operational in October 1985.

QUESTION: The Air Force has requested a reprogramming of about $12 million in addition to the $12.6 million previously appropriated for facility modifications. What is the justification for utilizing negotiated cost-plus contracts for these modifications rather than fixed prices?

ANSWER: These modifications involve changes to construction projects that are nearing completion; for example, launch pad and Orbiter Maintenance and Checkout Facility Equipment installation is underway and checkout (testing) has begun at each of those locations using contractors other than the construction contractor. The requested modifications will interfere with the on going work and will, therefore, interrupt and cause conflicts in an already congested work site. In order to maximize the government control over work scheduling, we desire cost plus contracts. We also wish to avoid excessive contractor claims for impeded access to the work site under a Fixed Price contract. When we can use fixed price contracting we will -- about one third of the required modifications will be fixed price.

Question: What additional cost will be associated with the utilization of cost-plus rather than fixed-price?

Answer: The cost-plus contracting approach was selected to avoid additional costs resulting from scheduling impacts or design changes after contract award.

QUESTION: Has the cost-benefit analyses been done on the modification requests? If so, provide a summary for the record.

ANSWER: A cost benefit analysis has not been done on the modifications because they are essential for safety or operational reasons and there are no adequate alternatives. However, design alternatives for each modification were considered during the design phase and the lowest cost alternative that meets requirements was selected.

QUESTION: What is the status of the Shuttle Assembly Building?

ANSWER: The Shuttle Assembly Building construction started 27 Jan 83 with the ordering of the long lead steel. The detailed design will be complete in Jun 83. The construction will be complete in Dec 84.

QUESTION: Why has the IOC slipped a year?

ANSWER: Since August 1982 the Vandenberg IOC has been October 1985. In August 1982 we announced an IOC slip from August 1984 to October 1985. That slip was caused by a number of factors: high levels of change activity caused by early operational experience at Kennedy, the growing recognition of the inadequacy of the existing design for erecting and mating the Orbiter (subsequently satisfied by the Shuttle Assembly Building), engineering manpower shortfalls, the growing risk across the entire program, and cost growth.

QUESTION: What costs have been avoided on the Shuttle Assembly Building Contract by utilizing a cost-plus rather than a fixed price contract?

ANSWER: The Shuttle Assembly Building will be built in a congested work area. Construction will occur during a period of concurrent activities in other parts of the launch pad area which could impact the construction schedule and vice versa. For example, testing the propellant loading system is a hazardous operation which would require the pad area to be cleared and construction to terminate. Conversely, SAB construction activities may interfere with calibration of electronics in the launch pad area. A cost plus contract will allow the government to maximize its control over work scheduling while retaining the power to audit the contractors claim for impacts, A Fixed Price contract could easily require a negotiated change for unpredicted (and largely unpredictable) work schedule changes as the 120 contractors and subcontractors now on site either succeed or fail to meet their schedules.

QUESTION: What is the current cost of the Shuttle Assembly Building (SAB)?

ANSWER: The current SAB cost is $40M.

QUESTION: Has the payload for the first flight been changed? If so, why?

ANSWER: The first Vandenberg flight is Orbital Flight Test-Vandenberg (OFTV), which will contain [deleted].

QUESTION: Is the Air Force planning to construct a shuttle landing site at Vandenberg Air Force Base? If so, at what cost and on what schedule?

ANSWER: Yes we are acquiring a capability to land (recover) the Orbiter as well as launch the Space Shuttle Vehicle. The major element of this capability is the extention of the Vandenberg AFB runway from 8000 ft to 15,000 ft and the resurfacing of 6000 ft of the existing 8000 ft. This project was begun in 1982 and is nearly complete. The contract was let for $22.4 M.

COST PLUS

Question: In addition to the modification contract at Vandenberg Air Force Base, is the Air Force planning any other cost-plus contracts for military construciton?

Answer: The FY 83 facilities modifications project and the shuttle assembly building project are the only two military construction projects currently planned to use cost-plus contracting within CONUS.

Question: An MX test silo is planned for construction at Vandenberg Air Force Base. Will this contract be awarded on a fixed-price basis?

Answer: The FY 84 MCP contract to upgrade an existing Minuteman silo area for MX testing at Vandenberg Air Force Base will be awarded on a competitively bid, fixed-price basis.

Question: A liquid waste treatment and disposal facility is being plannd at Vandenberg Air Force Base. Will this be a fixed-price contract?

Answer: Yes, the FY 84 MCP Hazardous Material Management Facilities, in support of the STS at Vandenberg Air Force Base/Port Hueneme, California, will be competively bid and awarded on a fixed-price contract basis.

GEODSS

QUESTION: The Air Force is requesting funding for a fourth deep space surveillance facility at Diego Garcia. Please explain the necessity for this request.

ANSWER: The Ground-Based Electro-Optical Deep Space Surveillance (GEODSS) consists of five sites spaced approximately equally around the world. Five sites are required for contiguous equatorial coverage. Each site provides unique coverage of a portion of the synchronous altitude belt.

The Diego Garcia site will detect, track, and identify deep space objects which cannot be seen from either the Eastern Atlantic or the Korean GEODSS site. The FY 84 military construction request provides funds to build the Diego Garcia GEODSS facility.

QUESTION. Why is the fifth site planned for fiscal year 1985?

ANSWER. The facility construction funding for the fifth (Eastern Atlantic) GEODSS site is requested in FY 85 because host country approval is still pending. This site could not meet the military construction criteria for an FY 84 project.

QUESTION. Where will it be located?

ANSWER. The location of the fifth GEODSS site is planned for [deleted] in order to complete negotiations and signing of the country-to-country agreement.

MISAWA

QUESTION: The Air Force seeks funds to support a new wing of F-16s at Misawa, Japan. Has formal approval by both the United States and Japan been reached?

ANSWER: The US Secretary of Defense and the Japanese Defense Minister agreed in principle on 30 September 82 to the stationing of F-16s at Misawa AB, Japan beginning in FY 85. The Japanese Defense Agency has taken the view that there is no legal impediment; the action falls under existing agreements.

Question: When will formal approval be achieved?

Answer: The beddown of F-16's at Misawa falls under existing US-Japan agreements.

QUESTION: What is the total cost of the plan for Misawa?

ANSWER: The construction necessary to meet an initial operating capability at Misawa, i.e., two F-16 squadrons by fiscal year 1988, is estimated at $373 million. The source of these funds is divided between the Military Construction Program ($98 million) and the Japanese Facility Improvement Program ($275 million). [Deleted.]
A final decision on funding strategy for these projects will be made subsequent to USAF validation review.

Question: Has the Government of Japan approved any funds to support the proposal?

Answer: [Deleted.]

QUESTION: Why should Congress approve the Air Force request until the Government of Japan provides her share of the funding or enters into a formal agreement to do so?

ANSWER: [Deleted.] The Japanese host nation support program and consequent cost avoidance is added rationale. Discussions among senior US Defense and State officials and members of the Japanese government executive branch indicate that the Japanese legislature will formally program funds upon the US Congress approval of funds for this project. In view of the consensus nature of of post war Japanese society, no problems are forseen once the GOJ has agreed in principle as they have on this matter.

QUESTION: The February 7, 1983, edition of Aviation Week states that the residential cost at Misawa only will be as much as $260 million, adding the Japanese Defense Agency "has only $234 million to pay for all US forces." Does this mean that in order to pay for Misawa, that Japan will reduce support of other US bases?

ANSWER: No. The $260 million cited in Aviation Week for residential cost at Misawa represents one early estimate of the total program over four to eight years. The $234 million noted in the magazine was probably an early estimate for the total Japanese

Facility Improvement Program (JFIP) for all US bases/installations in Japan.

QUESTION: Is a second runway being planned for Misawa?
ANSWER: No

QUESTION: Why?
ANSWER: The Air Force has no plans for a second runway at Misawa AB.

QUESTION: How will it be financed?
ANSWER: The Air Force has no plans for a second runway at Misawa AB.

Question: What is the range of the F-16 carrying a full load of typical munitions?
Answer: The F-16's unrefuelled combat range is dependent, to a large extent, on cruise altitudes, speeds employed, and by how the aircraft is configured (i.e., external fuel tanks, bombs, missiles, etc.). [Deleted.]

Question: The Air Force has had tactical fighters assigned to Misawa. What was their mission? How does this compare to the proposed F-16 mission?
Answer: From 1968-1971 Misawa based F-4C/Ds, F-100s, RF-4Cs and RF-101Cs provided the USAF with air-to-ground, air-to-air and reconnaissance assets in NE Asia. It is important to note that during this period, Misawa primarily served as a staging base for Forward Operating Locations in Korea and South East Asia. [Deleted.]

QUESTION: How many fighters were there at peak?
ANSWER: The largest tactical fighter operation previously stationed at Misawa was the 475 Tactical Fighter Wing from 1968 to 1971. At its peak, three squadrons of F-4C/D tactical fighters (75 PAA), one squadron of F-100 tactical fighters (25 PAA), one squadron of RF-4C recce aircraft (18 PAA), and one squadron of RF-101C recce aircraft (18 PAA), were assigned to the wing. However, Misawa acted primarily as a staging base for FOLs into Korea and Vietnam and actual tactical aircraft on Misawa during this period averaged 18% or 46 PAA.

Question: Using your normal planning factors and/or historical data, how many military were assigned in direct support of dual missions?
Answer: Actual assigned strength at an installation varies from day to day based on arrivals and departures. However during the time period cited (1968-1971) total authorized Air Force strength at Misawa peaked in 1969 at 437 officer and 3663 enlisted personnel. From PACAF historical records, actual in-place figures averaged 363 officer and 3485 enlisted personnel. Both authorized and in-place figures represents totals for all Air Force military personnel assigned to Misawa at that time.

Question: Using the same types of support personnel for the proposed two squadrons of F-16s, how many military are planned?

Answer: Current manpower studies indicate an additional 1750 military and 75 civilian personnel will be required at Misawa to support the F-16 program. This figure is additive ~~to the~~ current population of approximately 3,820 military personnel that support continuing missions.

QUESTION: If the purpose of the mission is show of force, why can't we obtain the same result from a rotational squadron or part of a squadron?

ANSWER: There are several reasons why a rotational commitment or less than a two squadron beddown at Misawa represents a less than optimum solution to the problem caused by the increasing Soviet buildup in NEAsia. Permanent basing eliminates rotational airlift and attendant air refueling costs.

[Deleted.] Additional equipment would need to be purchased since spares and support equipment are projected and funded based on a single operating location. The Government of Japan agreed to provide funds for permanent F-16 basing and will probably not agree to use Japanese Facility Improvement Program funds to support a TDY forward operation location.

Question: How many hours do you save on deployment of F-16s from Misawa to Korea compared to, say, Luke AFB to Misawa?

Answer [Deleted.]

Question: Provide a history of the past five years to show support that the Japanese have provided to U.S. Forces by type and cost.

Answer: The support provided by the Government of Japan (GOJ) through the Japanese Facility Improvement Program (JFIP) construction since its inception in 1979 has been:

Japanese Fiscal Year (JFY)	Funding in Millions of Dollars*
79	103.0
80	123.8
81	148.6
82	185.8
83	228.5

Listings of projects by type follow.

(*Based on a conversion Factor of 220 yen/dollar)

JFY 79 FIP

			¥ MIL
	ARMY		
		NONE	0
			0
	NAVY		
Atsugi		Family Housing	5,174
Iorizaki		Reconst POL Tanks	3,291
			8,465
	MARINE CORPS		
Iwakuni		Reconst BOQ/BEQ	2,633
			2,633
	AIR FORCE		
Yokota		Family Housing	6,111
Misawa		BEQ	1,692
Yokota		BEQ	1,660
Kadena		Hush House	2,080
			11,543
		TOTAL	22,641
		ADMIN EXP	43
			22,684

AT Y 220/$1, 22.684 Billion Yen equals approximately $103.0 million.

JFY 80 FIP

		¥ MIL
ARMY		
Cp Zama	Family Housing	2,529
Cp Zama	BEQ (design)	52
Cp Zama	Incinerator (design)	21
Cp Zama	Sewage Treatment Plant	428
		3,030
NAVY		
Ikego	Family Housing (site invest)	15
Atsugi	BEQ	1,018
Kamiseya	BEQ (design)	23
Yokosuka	BEQ	1,063
Atsugi	Hush House (site invest)	3
Yokosuka	Ship to Shore Sewage (design)	93
Atsugi	Support for JFY 79 proj	3,032
		5,249
MARINE CORPS		
Iwakuni	Family Housing	3,015
Cp Courtney	BOQ	305
MSA	BEQ	2,428
MSA	Dining Fac	599
Cp Fuji	Sewage Trt Plant (design)	16
Cp Hansen	Sewage Trt Plant	568
Cp Schwab	Sewage Trt Plant	479
Iwakuni	Sewage Trt Plant (design)	18
Cp Courtney	Sewage Trt Plant	289
Iwakuni	Support for JFY 79 FIP	804
Cp Schwab	Safety Fac	236
Cp Schwab	Safety OBs (design)	5
Cp Hansen	Security Fence	49
		8,811
AIR FORCE		
Yokota	Family Housing	2,218
Misawa	Family Housing	4,095
Misawa	BEQ	1,030
Yokota	Incinerator (design)	21
Misawa	Support for JFY 79 proj	348
Yokota	Support for JFY 79 proj	2,349
		10,061
	TOTAL	27,151
	JFY 79 sup	40
	ADMIN EXP	63

AT Y 220/$1, 27.254 Billion Yen equals approximately $123.8 million

JFY 81 FIP

	ARMY		¥ MIL
Naha		Sewage Coll Syst	88
Naha		Pier Improvements (site invest)	52
Cp Zama		Family Housing	535
Cp Zama		BEQ	401
Cp Zama		Town House Sewage Disp	2,273
			3,349
	NAVY		
Ikego		Family Housing (site invest)	49
Cp Shields		Relocate Facs	584
Atsugi		BEQ	1,148
Yokosuka		BEQ	1,165
Atsugi		NEX	586
Yokosuka		Utilities Upgrade (site invest)	38
Sasebo		Utilities Upgrade (site invest)	8
Yokose		POL Tank T-1 (design)	45
Atsugi		Hush House	1,192
Yokosuka		Ship to Shore Sewage Coll	2,128
Atsugi		Support for JFY 80 Proj	1,087
Yokosuka		Support for JFY 80 BEQ	183
			8,213

JFY 81 FIP (cont'd)

MARINE CORPS		¥ MIL
Cp Hansen	BEQ	2,220
Futenma	BEQ	2,179
Cp Butler	BEQ/BOQ Upgrade (survey)	9
Cp Fuji	BEQ w/mess	439
Cp Fuji	BEQ/BOQ	493
Cp Fuji	Latrine/Shower	222
Cp Schwab	BEQ	1,153
Cp Fuji	Fire Station	99
Cp Fuji	Water Dist	73
Iwakuni	Util Upgrade (site invest)	30
Cp Zukeran	Util Upgrade (site invest)	26
Iwakuni	Hush House (site invest)	7
Cp Fuji	POL Storage	48
Iwakuni	Fuel Dolphin (site invest)	38
Futenma	A/C Fuel Hydrant (design)	33
Cp Schwab	Track Vehicle Maint (design)	35
Cp Fuji	Admin/Hq Bldg	145
Iwakuni	Family Housing	432
Cp Fuji	Sewage Disposal	420
Iwakuni	Sewage Disposal	560
Cp Courtney	Ext Work BOQ	324
		8,985

AIR FORCE		
Misawa	Family Housing	2,300
Kadena	Family Housing	4,991
	Site Development 124	962
Cp Shields	Family Housing (site dev)	250
Misawa	Water Syst (site invest)	58
Yokota	Util Upgrade (site invest)	38
Misawa	Util Upgrade (site invest)	33
Kadena	Hush House	1,164
Kadena	Hardened Aircraft Shelters (design)	54
Misawa	Family Housing	1,111
Yokota	Incinerator	137
Misawa	Demolition BEQ	33
Yokota	Ext Work	939
		12,070
	TOTAL	32,617
	ADMIN EXP	85
		32,702

AT Y 220/$1, 32.702 Billion Yen equals approximately $148.6 million

JFY 82 FIP

ARMY		¥ MIL
Cp Zukeran	BEQ	518
Sagamihara	Day Care Center	240
Army POL Depots	POL Fire Prot	202
Sagami Depot	Sewage Trt Plant (Design)	31
Cp Zama	Drainage (Design)	2
Army POL Depots	POL Line (Design)	60
Cp Zama	Utilities (MFH)	82
Cp Zama	Utilities (BEQ)	55
Cp Zama	Incinerator	574
Naha	Pier Recon	548
		2,312

NAVY		
Ikego	Family Housing (Survey)	187
Atsugi	BOQ	1,805
Atsugi	Dining Fac	192
Fukaya	BEQ w/mess	199
Yokosuka	Dining Fac	403
Yokosuka	BOQ	980
Cp Shields	BEQ	946
Atsugi	Elementary School	148
Yokosuka	Personnel Center	868
Cp Kuwae	Hosp Sprinkler Sys (Survey)	7
Sasebo	Sewage Coll Sys (Survey)	18
Akasaki	POL Tank	755
Yokose	POL Tank	799
Misawa	Fire Prot, Hangar S&D	21
Atsugi	A/C Pk Aprn (Design)	15
Atsugi	Utilities (BEQ)	112
Yokosuka	Utilities (BEQ)	59
Atsugi	Utilities (NEX)	71
Yokosuka	Ship to Shore Waste	257
Yokose	POL Tank Y-1	752
		8,594

JFY 82 FIP (cont'd)

MARINE CORPS		¥ MIL
Iwakuni	BOQ	1,699
Iwakuni	BEQ	907
Iwakuni	BEQ	1,763
Iwakuni	Dining Fac	392
MSA	Dispensary	540
Cp Zukeran	Sports Fac	54
Futenma	Sewage Disp Line (Survey)	16
Cp Zukeran	Oil Filt/Separators (Design)	19
Numazu	Landing Fac (Survey)	11
Futenma	A/C Maint Hangar	1,212
Cp Hansen	Organic Unit Stor	909
Cp Schwab	Com/Elect Maint Shop	241
Cp Schwab	Organic Unit Stor	256
NTA	Base Camp Complex	762
Cp Hansen	BEQ	121
Cp Schwab	BEQ	906
Cp Fuji	Fuel Storage	54
Iwakuni	Sewage Disp Fac	10
Iwakuni	A/C Hush House	1,024
Iwakuni	Fuel Dolphin	437
Cp Fuji	Admin Fac	62
Futenma	Fuel Hydrant Syst	672
Cp Schwab	Lvt Maint Fac	444
		12,511

AIR FORCE		
Cp Shields	Family Housing	1,747
Misawa	Dining Fac	341
Misawa	BEQ	963
Misawa	BOQ	547
Yokota	BEQ	1,608
Kadena	BEQ	1,859
Kadena	Util Upgrade (Survey)	81
Kadena	Oil Filt/Sep (Survey)	3
Misawa	Family Housing	1,649
Kadena	Family Housing	3,006
Cp Shields	Family Housing	1,480
Misawa	Water Syst (Design)	23
Yokota	Incinerator	592
Kadena	HAS	2,933
Kadena	HAS (Design)	28
		16,860
	TOTAL	40.277
	ADMIN EXP	609

AT Y 220/$1, 40.886 Billion Yen equals approximately $185.8 million

FY 1983 Facilities Improvement Program

Family Housing

Service	Location	Project	Scope	Cost (Y Billions)
MC	Iwakuni	Mid Rise	88 Units	3.586
		Town Houses	100 Units	.650
AF	Camp Shields	Town Houses	253 Units	7.353
AF	Camp Courtney	Family Housing	210 Units	7.851
AF	Camp Mctureous	Site Preparation	LS	.051
AF	Misawa	Site Preparation	LS	.316
AF	Chibana	Site Preparation	LS	.032
		Troop Housing		
MC	Camp Fuji	UEPH, Training Camp	10,060 SM	.025
MC	Camp Fuji	Dining Facility, Training Camp	1,487 SM	.016
MC	Camp Hansen	UEPH	12,076 SM	1.805
MC	Camp Schwab	UEPH	12,076 SM	1.815
MC	Futenma	UEPH	6,038 SM	.915
AF	Kadena	UEPH	12,076 SM	.911
AF	Misawa	UEPH	6,038 SM	.963
AF	Kami Seya	UOPH/UEPH	4,229 SM	.045
N	Yokosuka	Marine Barracks	4,926 SM	.767
N	Atsugi	UOPH	2,472 SM	.458
N	Yokosuka	UEPH	5,688 SM	.036
N	Yokosuka	UOPH Phase II	2,245 SM	.459
N	Atsugi	UEPH	5,205 SM	.811
A	Camp Zama	UOPH Modernization	1,091 SM	.005

Other Life Related

Service	Location	Project	Scope	Cost (Y Billions)
AF	Misawa	Commissary	7,200 SM	1.257
A	Sagamihara DHA	Commissary Reconstuction	2,007 SM	.438
A	Camp Zama	Post Office	557 SM	.108
MC	Camp Fuji	Cold Storage Plant	475 SM	.007
MC	Camp Hansen	Fire Sation	279 SM	.009
A	Camp Zama	Community Service Center and Trift Shop	682 SM	.011
N	Atsugi	Improve Water System	LS	.057
N	Yokosuka	Relocate Special Service Building (Survey/Design)	4,862 SM	.034
MC	Camp Courtney	Chapel	1,057 SM	.297
MC	Camp Fuji	Dental/Medical Facility (Survey/Design)	412 SM	.009
N	Atsugi	Golf Net	0.7 KM	.207
A	Camp Zama	Electrical Upgrade (Survey/Design)	LS	.009
A	Sagamihara DHA	Youth Center Reconstruction	264 SM	.054

Environmental

Service	Location	Project	Scope	Cost (Y Billions)
A	White Beach	POL Storage Tank with Maintenance Building	140M BBL	1.314
N	Yokosuka	Waste Disposal Building	LS	.007
N	Sasebo	Reconstruct POL Tank Y-4	379 MBBL	1.369
N	Sasebo	Reconstruct POL Tank Y-6	379 MBBL	.110
N	Koshiba	Reconstruct POL Tank No. 6	203 MBBL	.012
A	Camp Zama	Storm Drainage	LS	.106
AF	Kobe	Sewage Disposal	LS	.016
MC	Camp Hansen	Organizational Maintenance Shop	2,093 SM	.337
AF	Kadena	Combined Communication Support Facility (Survey)	1,620 SM	.004
N	Yokosuka	All Weather Heliport	LS	.151
MC	Camp Hansen	Confinement Facility	LS	.072
MC	Camp Courtney	5th MAB/MAF HQS	LS	.031
N	Koshiba	Security Fense	3 KM	.072

Support Facilities

Service	Location	Project	Scope	Cost (Y Billions)
N	Tsurumi	Oil Berm	LS	.009
N	Tsurumi	Fire Fighting System	LS	.012
MC	Yosami	Ground System	LS	.036
MC	Iwakuni	Bridge (Survey/ Design)	LS	.022
MC	Iwakuni	Warehouse	5,693 SM	.429
MC	Camp Schwab	Fire Fighting Facility (Survey)	LS	.021
MC	Camp Hansen	Paradrop Facility (Survey/Design)	LS	.106
A	Various POL Depots	Fire Fighting System (Survey)	LS	.006
				35.619
Funds for completing projects initiated in prior year FIBs				14.506
Administrative costs				0.146
FY 1983 FIP			TOTAL	50.271

At Y 220/$1, 50.271 Billion Yen equates to approximatley $228,550,000.00.

SLBM Threat

QUESTION: In the 1960s and 1970s, the Air Force foresaw the development by the Soviets of a low trajectory SLBM which would therefore be difficult to pick up on radar and in turn reduce warning time. Your defense was to go to satellite basing for the Air Force and to relocate SAC missions away from the coast. Provide a list of all satellite bases established and note which ones remain active along with numbers of aircraft associated therewith.

ANSWER: SAC satellite basing operations ceased in 1976 with changes in SAC force structure related to the Vietnam drawdown. Today, there are no established SAC satellite bases and associated aircraft.

The satellite program was designed to place SAC aircraft at non-SAC bases where alert commitments were non-existent. After 1976, alert rates and crew ratios decreased as SAC force structure changed. In addition, perception of the SLBM threat changed, and SAC's Long Range Strategic Survivability Plan was devised. This plan is classified, but it basically suggests rebasing some SAC aircraft to guard against the SLBM threat. The plan also advocates making improvements at selected locations to decrease aircraft launch times.

Cost of the satellite program was also an issue. Total cost of the satellite program between 1970 and 1976 was $217.7 million in 1984 dollars. In 1975, the peak year of satellite basing, SAC spent $32 million to operate 17 satellite bases.

With changing force structure and the advent of the Strategic Survivability Plan, Congress deleted money for the satellite basing program. The Air Force has no plans to revisit satellite basing schemes.

QUESTION: Provide a list of SAC bases located nearer to the coast than 500 miles and the actual distance involved. Of these, which have ALCM missions.

ANSWER: The following SAC bases are located less than 500 statute miles from the Atlantic, Pacific or Gulf coasts:

Base	Distance from Coast*	ALCM Mission?
Fairchild AFB, WA	315	Yes
Beale AFB, CA	110	
Mather AFB, CA	110	
Castle AFB, CA	100	
March AFB, CA	50	
Dyess AFB, TX	380	
Carswell AFB, TX	290	
Barksdale AFB, LA	200	Yes
Robins AFB, GA **	175	
Seymour Johnson AFB, NC **	75	
Griffiss AFB, NY	250	Yes
Plattsburgh AFB, NY	185	
Pease AFB, NH	10	
Loring AFB, ME	175	
Blytheville AFB, AR	425	Yes

* Distance measured in straight line to coast nearest base in question.

** Robins AFB is an Air Force Logistics Command base, but possesses tenant SAC aircraft.

** Seymour Johnson is a Tactical Air Command base, but possesses tenant SAC aircraft.

SLBM/SLCM Threats

Question: With our knowledge of Soviet SLBMs, how much warning would we have of launches from their normal patrolling distances? From a distance of 5 miles? Provide similar data for Soviet SLCMs.

Answer: [Deleted.]

QUESTION: Explain the desirability of Loring AFB in view of the above.

ANSWER: With respect to launch timing, Loring may be more vulnerable to the SLBM threat than other SAC bases. However, Loring offers locational advantages aside from the beddown of strategic offensive aircraft. Loring's location, closer to Europe than any of our other home bases, provides a staging facility for fighter aircraft deploying to the European theater. Loring also is a location that allows coverage of contingency situations that may arise in Europe or other places east of the continental United States. [Deleted.]

To decrease the vulnerability of Loring aircraft to the SLBM threat, pre-launch survivability improvements have been proposed but remain unfunded. Proposed improvements include relocating the crew alert facility and bomber and tanker aircraft alert areas to allow better launch capability on receipt of a threat. To permit faster physical aircraft launch, improvements to the runway system are also proposed. These improvements offer a relatively inexpensive method of enhancing alert force survivability.

Finally, a substantial investment has been made to upgrade base facilities at Loring. 1983 MCP included $33.7 million for heating plant improvements, and $3.5 million for waste water treatment facilities. Funding requests for pre-launch survivability improvements, new dormitories and a maintenance facility are presently before Congress. These projects represent sunk costs that would be difficult to ignore if some reduction in Loring's mission were proposed.

Question: What is the backlog in MCP and MFH at Loring?

Answer: The total military construction requirements identified by Strategic Air Command for Loring Air Force Base during the next five years (FY 1985-FY 1989 are as follows:

MILITARY CONSTRUCTION PROGRAMS

PROJECT	SCOPE		COST
Composite Medical Facility	134,700	SF	32,000
Composite Maint Complex (PH III)	40,945	SF	3,800
Dining Hall		LS	3,700
Consolidated Admin Fac	44,000	SF	6,000
Fire Suppression System		LS	650
Refueling Pits Access Pvmts	7	EA	4,100
Renovate POL System		LS	2,000
Supt Eqmt Corrosion Con Fac		LS	720
Energy Conservation		LS	500
Hangar Deluge System		LS	930
Boundary Fence	133,860	LF	3,300
TOTAL FY 85-89 MCPs			57,700

MILITARY FAMILY HOUSING

There are no major Military Family Housing requirements for new construction or rehabilitation of existing housing scheduled for Loring AFB during the FY 85-89 time frame.

ASTF

Question: What is the status of construction on ASTF?
Answer: ASTF construction is 95 percent complete.

Question: When will it reach IOC?
Answer: ASTF will reach IOC in September 1985.

Question: Will the Air Force be able to complete ASTF within the amount which has been provided:

Answer: Our current estimate of $575.4 million to complete the project remains unchanged.

COBS

QUESTION: General Creech, the TAC Commander, recently stated that he could beddown every squadron which is planned for NATO reinforcements. Does the Air Force desire additional COBs beyond the 70 currently identified?

ANSWER: Bedding down every squadron planned for reinforcement of NATO at present will crowd facilities and hamper conduct of combat operations. The resulting concentration of forces presents lucrative targets for Warsaw Pact strikes. Optimum force deployment requires more than the 70 COBs presently identified, particularly in the flank countries. Studies are under way to determine optimum COB locations.

QUESTION: According to an interview General Creech gave to the Armed Forces Journal in January, the Warsaw Pact airfields are as vulnerable as NATO's, that NATO has as many hardened shelters as the Warsaw Pact, and that NATO bases are further back than the Pact's. Given these facts, why is additional COBs construction necessary?

ANSWER: Additional COBs construction is necessary to equip more of these bases with minimum essential facilities (MEF), defined as dispersed parking, fuel and munitions for 7 days combat operations, and storage for same. [Deleted] of the COBs have completed or fully funded MEF.

Question: Provide a list of COBs facilities, both minimum essential facilities and other operational facilities, that we have prefinanced, amount recouped to date, and scheduled recoupment year for remainder.

Answer:

FY	FACILITY	PREFINANCED AMOUNT $(000)	AMOUNT/SLICE RECOUPED $(000)	AMOUNT/SLICE PROGRAMMED $(000)
FY75	Ammo Igloos	2,490	1,790/27,28	700/36-41
	Aircraft Parking	5,760	5,760/27,28, 29,33	----
	Fuel Storage	2,750	2,750/28,29	----
	Aircraft Shelters	13,300	-----	13,300/36-41
	TOTAL	24,300	10,300	14,000
FY78	Ammo Igloos	11,790	4,290/28,31, 33	7,500/36-41
	Aircraft Parking	7,000	5,200/29,33	1,800/36-41
	Fuel Storage	10,600	1,700/31	8,900/36-41
	Aircraft Shelters	31,300	-----	31,300/
	TOTAL	60,690	11,190	49,500
FY79	Ammo Igloos	500	500/31	----
	Aircraft Parking	2,000	2,000/31	----
	TOTAL	2,500	2,500	----
FY80	Aircraft Parking	800	-----	800/36-41
	Fuel Storage	2,800	-----	2,800/36-41
	TOTAL	3,600	-----	3,600

OTH-B Radar

Question: What is included in the request for construction associated with the Over-the-Horizon Backscatter Radar System?

Answer: Two projects are included in the FY 84 MILCON for OTH-B. For the east coast location $10.1 million is included for support facilities such as unaccompanied enlisted personnel housing, dining hall, warehouse, vehicle maintenance, utilities etc. For the west coast location $1.5 million is included for the purchase of land.

Question: What is programmed for this system over the next five years?

The DOD North American Air Defense Master Plan submitted to Congress in March 1982 stated the requirement to deploy three OTH-B radar systems. Within the next five years, the Air Force plans to deploy a 180 degree coverage East Coast system, a 180 degree coverage West Coast system, and a 120 degree coverage South-looking system. The components of each system consist of a transmitter/antenna site, a receiver/antenna site, an operations center, and associated support facilities. There will be one software support facility for the entire CONUS system which is planned to be collocated with the West Coast Operations Center.

Question: An East Coast and a West Coast facility is planned. Is a third facility under consideration? Where would it be located?

Answer: A south-looking radar, which will cover 120^{0} is planned in addition to the East Coast and West Coast systems, each 180^{0}. The location has not yet been determined.

Question: Why would a third facility be necessary?

The South-looking OTH-B Radar system is necessary to provide long-range all-altitude surveillance for atmospheric tactical warning of threats in the southern approaches to North America and complete the long range surveillance coverage surrounding the continent. With the growing Soviet atmospheric threat (new Blackjack bombers and air/sub launched cruise missiles) and a growing Soviet presence in the Western Hemisphere, it becomes prudent to provide reliable tactical warning in the southern region.

Question: What is the total MCP for each facility?

The total MCP cost for the three OTH-B Radar systems is estimated to be approximately $147M. The MCP estimated cost for each location is as follows:

a. East Coast system	$14.0
b. West Coast system	66.0
c. South-looking systems	67.0

MCP costs for the East Coast system are lower than the other two locations because RDT&E funds support the upgrade of the existing Experimental Radar System to an operational configuration as the Initial Operating Sector and deployment with prototype operations center.

Question: Last month the General Accounting Office issued a classified report on the OTH-B radar. I would like to insert in the record an unclassified fact sheet describing this report.

Answer: A copy of the GAO fact sheet (Report Digest) is attached:

REPORT BY THE
COMPTROLLER GENERAL
OF THE UNITED STATES

(U)ACQUISITION OF THE OVER-THE-HORIZON BACKSCATTER RADAR SYSTEM SHOULD BE REEVALUATED

DIGEST

(U)The Over-the-Horizon Backscatter (OTH-B) radar system is to provide a long-range tactical warning capability to help counter a threat of a Soviet precursor bomber attack on the continental United States. Acquisition costs are estimated to be almost $1 billion for east and west coast OTH-B facilities, each including three radar sectors, and about $1.3 billion if a third facility is added. These figures include a provision for inflation to the end of the acquisition. (See pp. 1 and 5 .)

(U)PROGRAM DEVELOPMENT

(U)The OTH-B program was started in 1970. In 1975 a contract for a prototype system was awarded, but this system experienced cost, schedule, and technical problems. In 1977 the program was restructured and an experimental radar system was built to demonstrate technical feasibility rather than function as an operational prototype system. Initial testing of the experimental system, however, showed that the radar would not meet performance requirements for an operational system. These requirements were later revised and the Air Force has continued into full-scale development. (See pp. 2 and 6 through 9.)

(U)The Air Force plans to begin production of the OTH-B radar system before development is completed. Initial development testing is not planned to begin until production is far advanced. Cost, schedule, and technical risks associated with the current program are assessed by the Air Force as low to moderate. Schedule slippages, as well as cost increases, may occur because operational testing of the system will not begin until all of the east coast facility and much of the west coast

(U)facility is completed. The severity of problems identified in testing, and how quickly they can be resolved, will dictate the magnitude of any cost or schedule increases. It is too early to predict, however, whether serious problems will in fact occur. (See ch. 2.)

(U)ACQUISITION MAY NOT BE JUSTIFIED

(U)Near-term solutions, as well as long-term alternatives, are being pursued to strengthen U.S. tactical warning capabilities. Both the Air Force and the Navy plan to develop tactical warning systems for use during the 1990s that will withstand a greater threat environment than the OTH-B. In the near term, the Air Force plans to randomly patrol with some existing airborne warning and control system aircraft to strengthen tactical warning capabilities until the OTH-B radar system is operational.

(U)The threat of a precursor Soviet bomber attack against the United States is the scenario used to justify the need for the OTH-B radar system. Considering the threat described in intelligence reports, along with the alternatives to OTH-B, GAO questions the need to acquire the OTH-B radar system as now planned. (See ch. 3.)

(U)RECOMMENDATION TO THE SECRETARY OF DEFENSE

(U)GAO recommends that the Secretary of Defense direct the Air Force to fully reassess the need and justify the decision to acquire the OTH-B radar system. Specifically, factors to be considered are the threat, the status of efforts to develop more endurable tactical warning systems, and the potential and cost effectiveness of using existing airborne warning assets to strengthen surveillance coverage against a surprise bomber attack until a more endurable system than OTH-B can be deployed. (See p. 16.)

(U)AGENCY COMMENTS AND GAO VIEWS

(U)The Department of Defense orally commented that the OTH-B hardware was successfully tested during the initial test and evaluation of the experimental radar system and that only refinements to design are needed. In GAO's opinion, this is somewhat misleading since the experimental system was not intended to be an operationally representative prototype system. Instead, it was to demonstrate the feasibility of OTH-B technology, and as such, had no stated operational requirements. Also, a substantial redesign effort for both hardware and software is involved in moving from the experimental radar to an operational OTH-B radar system. (See p. 10.)

(U)The Department of Defense officials said GAO took comments from an intelligence analysis out of context. For example, Defense officials said the draft report failed to consider the future threat of a new Soviet long-range bomber and an air-launched cruise missile. (See p. 16.)

(U)GAO does not feel that its draft report used comments from the intelligence analysis out of context. However, GAO revised the report to reflect virtually all of the applicable sections of the intelligence analysis to alleviate any such concerns. GAO also included more information on the future threat of a new Soviet long-range bomber and air-launched cruise missile. (See p. 17.)

(U)GAO did this review to provide the Congress with an independent evaluation of the status of the OTH-B program, including its cost, schedule, and performance status, and an evaluation of the factors justifying deployment. (See p. 3.)

GAO QUESTIONS NEED FOR OTH RADAR

Question: The GAO questions the need for the OTH-B radar. The GAO states that intelligence estimates of the threat and alternatives to the OTH-B radar indicate that the DOD should reevaluate the decision to acquire this new system. Provide for the record an unclassified justification for constructing these facilities. Also provide for the committee files the Department's response to GAO's interpretation of the threat and possible alternatives to the OTH-B. The Committee desires a response to each GAO finding and recommendations in order to fully evaluate this system.

Answer: The FY 84 budget request is for funds to construct support facilities for personnel assigned to operate and maintain the OTH-B radar system at Bangor, ME. The current operations concept is based upon a workforce of approximately 600 personnel, of which about 450 are military.

Existing base (Air Guard) facilities are inadequate to support this military contingent. In addition, there are currently no support facilities near the remote locations for the transmitter and receiver sites to support crew shifts necessary for 24-hour a day operations. Military construction funds for these projects are needed in 1984 in order to meet the planned date for a radar system Initial Operational Capability (IOC).

The response to the GAO's interpretation of the threat is contained in the complete DOD response to the GAO Report. A copy of this DOD response to each GAO finding is attached:

GAO STAFF STUDY FINAL REPORT NO. GAO/C-MASAD-83-14
Dated 15 MARCH 1983
(GAO Code No. 951692) OSD Case No. 6080

DEPARTMENT OF DEFENSE COMMENTS

(S) FINDING A: Over-the-Horizon Backscatter (OTH-B) System. GAO found that the Over-the-Horizon Backscatter (OTH-B) radar system is being developed to provide a long-range tactical warning against a threat of a Soviet surprise bomber attack (d).(GAO noted that by providing advance warning of approaching enemy aircraft, the United States could take defensive measures, such as launching interceptors against such an attack, and also launch U.S. strategic bomber forces to avoid destruction on the ground.) GAO further found that the Department of Defense (DoD) considers the current U.S. air defense tactical warning capability critically deficient since radar coverage gaps now exist in radar coverage. (p. 1, GAO Staff Study Final Report)

(U) DoD POSITION: DoD concurs.

(S) FINDING B: OTH-B Deployment Considered Urgent. GAO found that the OTH-B radar system is to be deployed [deleted] in response to what DoD considers a [deleted] deficiency to detect a surprise enemy bomber attack. (GAO noted the President's Strategic Modernization Program of October 1981 includes deployment of the OTH-B radar system as one of several major initiatives to improve North American air defense). GAO further found the DoD's March 1981 North American Air Defense Master Plan shows that [deleted]. (pp. 1-2, GAO Staff Study Final Report)

(U) DoD POSITION: DoD concurs.

(S) FINDING C: Air Force Concurrent Development and Production OTH-B Program. GAO found that the Air Force plans a concurrent OTH-B development and production program to have radar facilities operational by the end of fiscal [deleted] with production on all operational radar sectors in the east and west coast facilities scheduled to begin long before development of the first facility is completed. GAO further found that development testing and evaluation is not to begin until production is far advanced. (GAO noted the Air Force had assumed the cost, schedule and technical risk associated with this concurrent development and production program as low to moderate.) (p. 4, GAO Staff Study Final Report)

(U) DoD POSITION: The DoD non-concurs. The DoD does not consider the acquisition of the OTH-B system a concurrent development and production program. Concurrency relates to the acquisition of production items prior to the completion of R&D testing. This is not the case in the OTH-B program since the major hardware items were successfully tested in the R&D phase of the program, including the basic software. While the software has to be expanded to support a full 180 degree sector, this is considered an engineering detail with the risk assessed as low to moderate. The initial operation test and evaluation (IOT&E) and hardware R&D phase was completed in June 1981. The production program specifies the acquisition of hardware proven in design in this R&D phase. Commercial computers and off-the-shelf displays are also to be procured. It should also be noted that there are various degrees of risk associated with any acquisition program. Accordingly, this low to moderate risk in the OTH-B acquisition does not constitute a concurrent development and production program.

(S) FINDING D: The Air Force OTH-B Acquisition Plan. GAO found that the Air Force plans to build three OTH-B facilities to provide 180 degree coverage on the east and west coasts and 120 degree coverage to the south. Since OTH-B performance facing north is frequently limited by ionospheric disturbances, improvements to conventional existing radar is also planned. GAO further found that in January 1982 the OTH-B office was directed to (1) proceed expeditiously with development and production of the first 60 degree sector in Maine, consistent with the plan to achieve an initial operating capability by the end of fiscal year (d) for the east coast system and by the end of fiscal year (d) for the west coast system; and, (2) provide for a program review and decision point in mid-fiscal year 1983 to decide whether work on the first 60 degree sector should be continued or terminated. (GAO noted that this assessment would be made before a commitment to purchase long lead time items for the entire east coast system.) (pp. 4 & 5, GAO Final Report)

(U) DoD POSITION: The DoD non-concurs that additional development is required to upgrade the R&D 60 degree sector. In January 1982, the OTH-B office was directed to proceed expeditiously to upgrade the experimental radar system 60 degree sector by replacing it with fully operationally qualified equipment. The program review and decision point is scheduled for August 1983 and will be completed prior to the commitment of FY 84 funds.

(U) FINDING E: OTH-B Program Costs. GAO found that in October 1981, the OTH-B Program Office estimated the east and west coast systems (including inflation factors) at about $796 million. GAO next found that by August 1982 (based largely on a contractor proposal) this estimate had increased to $951 million, or about 20 percent more than estimated 10 months earlier. In addition GAO found that while a decision on building a southern system has not been made, the program office has plans for this event that are estimated to cost $323 million, bringing total estimated acquisition costs for all three systems (east, west and south) to $1,274 million (excluding TAC military construction costs of about $40 million). Further, although not yet fully developed, GAO found that twenty year operating and support cost estimates for only the east and west coast systems (in 1982 dollars) amount to $958 million. (GAO noted that as of the end of Fiscal Year 1982, total program expenditures were about $124 million.) (pp. 5 & 6, GAO Final Report)

(U) DoD POSITION: DoD concurs.

(U) FINDING F: Potential For Further Cost Increases in OTH-B Program. While the Air Force assessed the risk of cost increases as low to moderate, GAO found that this related primarily to possible delays in selecting the west coast site. GAO pointed out that cost increases could also occur because (with the exception of the first 60 degree east coast sector), the building of the east and west coast systems are unpriced options in the contract. GAO also pointed out that given the program's concurrency, if technical problems are encountered, depending on their severity and magnitude, costs could increase even further. (p. 6, GAO Final Report)

(U) DoD POSITION: DoD non-concurs. The present fixed price contract on the OTH-B system is to upgrade the existing R&D 60 degree sector to a fully operationally qualified 60 degree sector. There are no options in the present contract. The FY 84 budget requests procurement funds to acquire the remaining two 60 degree sectors that are necessary to provide a total 180 degree east coast system. The procurement funds for the west coast system are identified in the FY 85 budget. There are four sites under consideration at this time. A selection of any one of these sites in the first half of FY 84 will provide more than adequate time to assure the present schedule objectives are met. Since the DoD does not consider the OTH-B a program involving concurrency (see DoD position on "Finding C"), we do not see this as an area that will result in cost increases.

(S) FINDING G: OTH-B Program Schedule: Concurrency and Potential for Schedule Delays. GAO found (1) that program plans call for a significant amount of concurrency (in order) to meet the OTH-B program milestone; (2) that under this plan work must begin on both the east and west coast systems long before the initial operating radar sector is completed; (3) that as a result, development, test and evaluation of the initial radar sector will not occur until the east coast sector is virtually completed and twelve months after the west coast production option is planned to be exercised by the Air Force; and, (4) that the first operational site test will [deleted] after the east coast system is to be exercised. (GAO noted Air Force officials are planning for a (d) system deployment date for the east and west coast systems.) GAO further found that the program concurrency and the possibility of delays in selecting the west coast site as factors that need to be watched (for delays) as well as development of software specifications and the possibility of a funding shortfall in fiscal year 1985. GAO also found that the severity of problems identified in testing and how quickly they can be resolved would also dictate the magnitude of any schedule slips. (p. 6, GAO Staff Study Final Report)

(S) DoD POSITION: DoD non-concurs. The issue of "significant amount of concurrency" has been previously addressed in response to "Finding C". It is necessary at this point to reiterate the fact that the development tests on the OTH-B were conducted in 1980-1981 and concluded with the IOT&E. Future tests include Operational Test & Evaluation (OT&E). OT&E always take place before any system is turned over to the operational command and has no relationship to the amount of R&D previously involved in the program. OT&E must take place in [deleted] to meet the objective of operational evaluation of the full OTH-B system, which for the east coast consists of three 60 degree sectors that will provide 180 degrees of surveillance coverage. Since the first 60 degree sector is presently on contract and the remaining two sectors are funded in the FY 84 budget request, it will not be until [deleted]. To test any sooner would only be repeating the IOT&E which tested less than a full system (one 60 degree sector). The fact that the DoD will have initiated the hardware acquisition for the west coast system is one of economics. By initiating the acqusition in FY 85, the ongoing production line will be maintained, thereby eliminating costly start-up expenditures. Furthermore, since the hardware acquisition is for previously proven equipment and commercial computers, there is little risk involved. While the software for the full 180 degree system (three sectors) is considered an engineering detail and assessed at low-to-moderate risk, the DoD is taking steps to assure that it remains a low-to-moderate risk item. Finally, the DoD does not anticipate any severe problems during the OT&E phase and therefore does not expect any schedule slip. The GAO did not identify any technical concerns in their final report to support a schedule slip.

(U) FINDING H: OTH-B Program Performance. GAO found that it is the Air Force position that the testing of the experimental radar demonstrated the feasibility of using an operational OTH-B technology along with conventional northern warning radars to detect a surprise bomber attack. GAO further found that two series of tests were done on the experimental radar -- a nine month contractor systems performance test and a three month initial operational test and evaluation by the Air Force Test and Evaluation Center, as follows:

(1) (S) Contractor Tests. The contractor's systems performance test report shows that the experimental OTH-B radar system met or exceeded most performance requirements set forth for the experimental systems, but that ionospheric disturbance affected the radar's capability, especially in the northern coverage areas and at night. (GAO noted, however, that overall the report showed the experimental radar did not meet the original aircraft detection requirements of having a high probability of [deleted] [deleted] because this operating requirement was reduced in December 1981, with the revision calling for a high probability of [deleted] [deleted]. GAO further noted that it is the Air Force position the revised requirement more accurately reflects the mission and OTH-B radar system's operating capability, and the system will provide a high probability of detecting a precursor bomber attack [deleted].

(2) (S) Air Force Tests. The initial operational test and evaluation report by the Air Force Test and Evaluation Center on the experimental radar also showed that the operational radar would [deleted] [deleted] and recommended that the OTH-B concept be revised (which, as descibed in (1) above, was subsequently reduced). The report also showed that the experimental radar did not meet other user-stated performance requirements for an operational system and listed 56 items that affected [deleted]. (GAO

noted that of these 56 items, 24 were considered to be mission essential -[deleted]. GAO further noted, however, that the report stated the experimental system used for testing was not designed to meet all operational requirements and much of the hardware and software are to be replaced or redesigned in the operational system. Based on (a) a revised systems operating concept which established a requirement for [deleted] [deleted] (b) detailed assurances from the program office that solutions to the Air Force Test and Evaluation Center's identified problems have been incorporated in the operational radar system plan, and (c) assurances by the program office that efforts for software development will be independently verified and validated, the Air Force Test and Evaluation Center concluded the operational system should meet the revised operational requirement and, therefore should continue into the operational phase. (pp. 6-9, GAO Staff Study Final Report)

(U) DoD POSITION: DoD non-concurs. The operational concept for OTH-B was under revision long before the December 1981 date referenced by GAO in this finding. This date represents the publication date of the revision. Though a draft of the revised concept of operation was available, IOT&E had to be conducted against the approved documentation. These tests confirmed what was already known from development tests. The findings from all tests contributed to the refinement of specifications for the operational system. The reason for the change is based primarily from the recognition that the primary threat was from a coordinated multi-aircraft raid. To require a system to have a very high probability of detection (better than 90 percent) against a single aircraft was unnecessary and would also be very costly.

(U) Addressing the problems of 24 mission-essential items that were uncovered during the IOT&E, it again must be emphasized that this was an experimental radar system being tested against operational requirements. The tests were made against operational requirements to provide definitive information to Program managers on what would be required to upgrade the sector to fully operational status. As an example, the number one priority problem was identified as incomplete Ocean Air Movement Data (AMD). The report continued that all possible AMD must be provided to minimize the declarations of false unknowns. This is an accepted requirement for an operational system, and the necessary AMD hook-up will be provided prior to the system going operational. However, in testing a 60 degree sector, it was not necessary to have all the AMD available. Yet this was highlighted as a mission-essential problem, even though there was no intent whatsoever to turn the radar over to operations until such time as it had been upgraded to a fully operational system. The GAO, listing 24 mission-essential problems, gives the connotation that the IOT&E was not successful. The fact is that the IOT&E was successful and the 24 mission-essential problems can be easily corrected with no risk involved before the full 180 degree system is turned over to operation. The corrective action for these mission-essential problems is part of the 60 degree upgrade and the remaining 120 degree procurement package for the East Coast system and the other systems.

(U) FINDING I: Performance Problems. GAO found that the Air Force has assessed technical risks (of software development, transmitters, signal processors, displays, calibration, and system reliability/maintainability) as low to moderate and has increased management efforts to help identify and solve problems as they develop. GAO further found that because the program office believes software development is the most complex and highest risk area, it has been given special high level attention. While noting the increased management efforts should help, GAO continued to point out that severe development problems could still result in higher costs, delays, and reduced performance.) (p. 9, GAO Staff Study Final Report)

(S) DoD POSITION: DoD non-concurs. There is no concurrency in this program and the software expansion is considered an engineering detail. The DoD recognizes that the software for the full 180 degree system (three individual sectors working together as a single system) is considered a low-to-moderate risk even though the GAO refers to it as the most complex and highest risk area. It is for this reason (low-to-moderate risk) that special high level attention is being given to the software and, because of this high level attention, we expect to avoid any major problems and to quickly solve any problem that may occur. This is a management tool known as independent verification and validation (IV&V) that is being used early in the program to assure that schedule objectives are met. The IV&V technique requires an additional investment but has met with success in many past programs. Accordingly, the DoD considers the IV&V technique a worthy investment in support of the present program objectives, and should not be the basis by which the GAO predicts higher costs, delays and reduced performance for the OTH-B system. DoD is utilizing this approach to assure that schedules are met and the program remains within the cost threshold.

(S) FINDING J: Acquisition of the OTH-B Radar System May Not Be Justified. GAO found that the [deleted]. GAO also found (1) that the Navy and Air Force are planning to develop tactical warning systems (with possible deployment [deleted] which are more capable of continuing to operate effectively within the threat environment; and, (2) that the Air Force is also planning to use existing Airborne Warning and Control System (AWACS) aircraft to strengthen tactical warning capabilities until the OTH-B radar system is deployed. (p. 11, GAO Staff Study Final Report)

(S) DoD POSITION: While the DoD agrees with the basic facts in Finding J, it must be noted that these facts were taken out of context and do not represent the overall situation. First of all, while the [deleted] [deleted]. The planned OTH-B deployment will not become complete [deleted]. During this same time period, the Soviets are producing a new long range bomber while maintaining the production of their existing long range bombers. [Deleted.] Accordingly, the DoD intends to meet that future threat with the deployment of OTH-B systems looking east, west and to the south. In addition, new improved DEW Line radars will be in operation before this date, providing (d) they can change their intent with regard to a precursor bomber attack at any time. Unfortunately, if the DoD does not continue with deployment plans for OTH-B (FY 83 start) there will be little it can do to deny the Soviets that precursor attack option when they have an improved capability to carry it out [deleted]. U.S. planning must emphasize a strategy to [deleted].

(S) Secondly, the earliest the DoD expects to have a more enduring tactical warning system is in the late [deleted]. While a requirement for a more enduring air defense system was identified in the DoD North American Air Defense Master Plan (submitted to Congress in March 1982), the Department [deleted]. There are R&D funds in the FY 84 and FY 85 budget to do some technology development work on space-based radar; however, it will be after [deleted].

(S) Finally, the GAO states that the Air Force intends to use random AWACS patrols to strengthen tactical warning capability until OTH-B is deployed. While this is true, it must also be kept in mind that the present Air Force concept for random AWACS patrols is for [deleted] on station. After that period of time, the aircraft returns to its main operating base and the random patrol is [deleted]. On the other hand, an OTH-B system deployment will provide surveillance of [deleted]. Thus, there is no comparison between the extent and continuity of coverage capabilities of OTH-B radar and a random AWACS patrol. The reason for deployment of random patrols in (d) is that it is the only capability we have in the near term that will pose an additional risk to a Soviet planner who may be considering a precursor bomber attack.

(S) FINDING K: DIA Threat Assessment: [Deleted] Soviet Precursor Bomber Attack. [Deleted.]

(pp. 11-13, GAO Staff Study Final Report)

(S) DoD POSITION: While the DoD agrees that this finding accurately reflects the DIA threat assessment, DoD does [deleted]. Another factor that would weigh against a Soviet precursor bomber attack is an adequate surveillance and warning system. It should be noted that in October 1982, [deleted]. Today, an adequate system does not exist, and to achieve any credible capability we must include new OTH-B radars and improved line-of-sight radars for the DEW Line. [Deleted.] The overall objective of the DoD in deploying these new surveillance systems is to increase deterrence by reducing the attractiveness to the Soviet planners of a no-warning bomber attack option. [Deleted.]

(U) FINDING L: Other Tactical Warning Systems Are Planned. GAO found that both the Air Force and Navy plan to develop more endurable surveillance systems designed to provide continental United States and worldwide fleet tactical warning in the future. GAO also found that the DoD North American Air Defense Master Plan (1) notes a more endurable air defense surveillance system than the OTH-B is needed to enable the United States to fight a protracted nuclear war; (2) describes the OTH-B system as a near-term effort to enhance surveillance capabilities until future acquisitions provide an enduring air defense system that will continue to operate when confronted by the various possibilities or combinations of enemy bomber cruise missile and ballistic missile attacks; and, (3) concludes the large, easily targetable OTH-B system would be unlikely to survive the first exchange. (pp. 13-14, GAO Staff Study Final Report)

(S) DoD POSITION: The DoD concurs. There is, however, more to the situation than was reported by the GAO. The question of an enduring surveillance system was addressed in response to "Finding J". However, the DoD considers that an enduring surveillance and warning system will not be available until the [deleted] at the earliest. Since the Soviets are improving and increasing the number of long range bombers in their inventory, the [deleted]. The DoD does not consider the fielding of an enduring surveillance and warning system to be [deleted] [deleted]. Furthermore, the DoD considers it essential to deny the Soviet planners the precursor bomber attack option [deleted] [deleted]. Thus, the DoD considers the investment in OTH-B and the DEW Line improvements a necessary expenditure to meet the operational requirements of North American air defense.

(S) FINDING M: Air Force Plans to Use Existing Assets to Improve Near-Term Tactical Warning Capabilities. GAO found that until the OTH-B radar system is deployed, the Air Force plans to use existing airborne warning and control systems aircraft to fly random patrols to improve air defense surveillance capabilities and strengthen tactical warning capabilities. (GAO reported that such random patrols will not provide the full coverage planned to be provided by an operational OTH-B radar system, but the Air Force believes they will [deleted].

GAO further found that random patrols are relatively inexpensive when compared to OTH-B operating and maintenance costs. (GAO noted the Master Plan funding profile showed that in escalated dollars, for fiscal years 1983, 1984 and 1985, random patrol costs would average around $20 million annually for operating and support costs, and $11 million for spares and replenishment; while in comparison, OTH-B east and west system operating and alone are estimated to average $50 million each year in 1982 dollars.) (pp. 14-15, GAO Staff Study Final Report)

(S) DoD POSITION: DoD non-concurs. While the GAO acknowledges that random patrols will not provide the full coverage to be provided by an operational OTH-B radar system they still compare costs of these two unequal capabilities. As in response to "Finding J", a 180 degree OTH-B system can provide surveillance coverage [deleted] [deleted] and the annual operating and maintenance cost for the system is about $25 million per year. This cost is for continuous coverage of this area every [deleted]. Yet the $31 million the GAO refers to as the operating and support cost for random patrols is for [deleted]. Since the AWACS are based at Tinker AFB, Oklahoma, [deleted] [deleted]. So for a cost of $6 million more per year, the AWACS random patrol will provide surveillance for [deleted].

The DoD does agree that random AWACS patrols should increase the risk of detection of precursor bomber attack. However, it is not an assured detection capability as is OTH-B and DEW LINE deployment. To state that these random patrols are relatively inexpensive is not credible within a total discussion of the essential surveillance and warning missions of both OTH-B and AWACS.

CONCLUSIONS

(U) CONCLUSION 1: GAO concluded that schedule slippages, as well as cost increases, may occur because operational testing of the system will not begin until all of the east coast facility and most of the west coast facility is completed. (p. 9, GAO Staff Study Final Report)

(S) DoD POSITION: DoD non-concurs. The operation test and evaluation (OT&E) will commence in [deleted] [deleted]. It is necessary to do a system test of the three sectors, since the IOT&E that was completed in June 1981 only tested a single 60 degree sector. Any schedule slippage and cost increase is impossible to predict at this time.

(U) CONCLUSION 2. GAO concluded that unforeseen problems identified in system testing could have a negative effect on program cost, schedule and performance. (p. 9, GAO Staff Study Final Report)

(U) DoD POSITION. DoD non-concurs. If there are unforeseen problems, they could impact on cost and schedule; however, no impact is foreseen on the contract performance specifications. Furthermore, since the DoD considers the software as a low to moderate risk in this program, specific management practices have been put into operation to assure minimum impact of any potential problems should they occur. Predicting unforeseen problems at this point in time is not justified by facts or data.

(U) CONCLUSION 3. GAO concluded that the severity of the problems (which may be encountered) and how quickly they can be resolved will dictate the magnitude of any cost or schedule increases and that it is too early to predict whether serious problems will, in fact, occur. (p. 9, GAO Staff Study Final Report)

(U) DoD POSITION: DoD concurs conditionally with this conclusion. The DoD does not anticipate any problems that will cause major cost increases or schedule slips.

(S) CONCLUSION 4. GAO concluded that acquisition of the OTH-B radar system to improve North American air defenses may not be warranted in view of the [deleted].

(p. 15, GAO Staff Study Final Report)

(S) DoD POSITION: The DoD non-concurs. Late in 1982, DIA stated that the Soviets will [deleted] new Blackjack long range bombers (d). Each of these bombers will be capable of carrying [deleted] long range air launch cruise missiles (ALCM). In addition, the Soviet fleet of Backfire bombers is expected to [deleted]. Since the existing DEW Line radars are of the early 1960 vintage, it is considered impossible to maintain these equipments through the 1990s. Accordingly, we are replacing the DEW Line with new, up to date radars that are more reliable, easier to maintain and less costly to operate. As a result of this improvement, [deleted] [deleted]. It is for these reasons the DoD considers a total surveillance system to be essential, that is, improved DEW Line radars for surveillance of the northern attack routes and OTH-B deployment for surveillance of our coastal and southern areas. Deployment of OTH-B is the only possible way to detect Soviet cruise missile carriers at long ranges beyond the limit of line of site radars.

(S) It should also be noted that the [deleted] [deleted]. It is the DoD position that a surveillance system must be put into place that will deny the Soviets that precursor bomber attack option.

(U) CONCLUSION 5. GAO concluded that, instead of the OTH-B, existing airborne warning assets should be considered in any plan to reduce the likelihood of a precursor bomber attack until more endurable systems are deployed. (p. 16, GAO Staff Study Final Report)

(S) DoD POSITION: DoD non-concurs. This conclusion tends to imply that DoD did not consider other alternatives before proceeding with the OTH-B system. The DoD did consider various sensor systems to satisfy the warning and surveillance requirements for North American air defense. The cost for maintaining a number of AWACS on station for long periods of time was considered excessively high. Accordingly, the DoD concluded that deployment of OTH-B was most cost effective and met all mission requirements.

(U) CONCLUSION 6: GAO concluded that while the surveillance coverage provided by random patrols is not equivalent to that expected to be provided by the OTH-B, random patrols can reduce the likelihood of a precursor attack and, considering the threat and alternatives, spending about $1 billion or more to acquire the OTH-B radar system and another $50 million each year to operate it (for a near term solution only) is questionable. (p. 16, GAO Staff Study Final Report)

(C) DoD POSITION: The DoD non-concurs. The DoD, as previously stated, considered various alternatives in satisfying the North American Air Defense surveillance mission. While the AWACS is considered indispensible in the trans- and post-attack period, it should not be considered as a viable substitute for the OTH-B radars. Furthermore, the $50 million cost identified by GAO as the annual operating expense is misleading. The $50 million figure is for operation and maintenance of two OTH-B systems (east and west coast) which can provide continuous area surveillance of up to approximately [deleted] at an annual O&M cost of $31 million. However, [deleted] [deleted] OTH-B is a near term solution because the technology is available to accomplish the stated mission today; it is cost effective and the systems will be in operation for at least nine years before a more enduring surveillance system is available as a replacement.

(S) In view of the fact that the Soviet bomber force is growing in numbers and capability, the DoD does not consider it prudent to wait [deleted].

(U) RECOMMENDATION 1. GAO recommended that the Secretary of Defense direct the Air Force to fully reassess the need (for) and justify the decision to acquire the OTH-B radar system. (GAO specified that the factors to be considered are the threat, the status of efforts to develop more endurable tactical warning systems, and the potential and cost effectiveness of using existing airborne warning assets to strengthen surveillance coverage against a precursor bomber attack until a more endurable system than OTH-B can be deployed.) (p. 16, GAO Staff Study Final Report)

(U) DoD POSITION: The DoD non-concurs. On October 21, 1981, the Acting Under Secretary of Defense for Research and Engineering delegated to the Air Force the authority to make the OTH-B radar system full-scale development and production decisions. The DoD has reviewed, in depth, the subject GAO report and finds little evidence of facts or data to support the GAO conclusions or recommendation. Accordingly, the DoD does not consider it beneficial to have the Air Force reassess the need for and justify the decision to acquire the OTH-B radar system.

Question: What percentage of the request is for projects outside the U.S.? What is the cost of these projects?

Answer: The FY 1984 requested program is distributed as follows:

	($ thousands)	%
Inside the United States:	1,333,464	58
Outside the United States:	762,236	33
Worldwide	205,200	9
TOTAL	2,300,900	100

Question: Provide a chart for the rcord which lists the amount and percentage of funding outside the U.S. for each of the past five years. Also please provide a similar chart reflecting what is programmed in the next five years.

Answer: (The information follows:)

	($ thousands)	%
FY 1979	62,357	13
FY 1980	81,050	14
FY 1981	145,457	17
FY 1982	462,253	30
FY 1983	495,323	32
FY 1985	563,562	16
FY 1986	640,881	19
FY 1987	890,002	20
FY 1988	1,044,862	23
FY 1989	1,137,870	24

PLANNING AND DESIGN

Question: What is requested for Planning and Design in FY 1984? What percentage and amount of this request will be outside the U.S.?

Answer: The Air Force Planning and Design request is $186 million. Approximately 15 percent (or 27 million) of this request is for outside the the U.S.

Question: Please provide a chart for the record outlining the distribution of these funds for the last five fiscal years and estimates of what is programmed for the next five years:

AIR FORCE PLANNING AND DESIGN DISTRIBUTION

Answer:

FY	Inside United States	Overseas	Appropriation
79	44.0	8.0	52.0
80	44.0	8.0	52.0
81	136.4	38.0	174.4
82	56.1	35.0	91.1
83	90.0	12.5	102.5
84	159.0	27.0	186.0
85	203.0	39.4	242.4
86	189.0	45.0	234.0
87	249.0	62.0	311.0
88	244.0	74.0	318.0
89	252.0	80.0	332.0

MINOR CONSTRUCTION

Question: What is requested for Minor Construction in FY 1984? What percent of this request is for projects outside the U.S.?

Answer: Nineteen (19) million dollars is requested for FY 1984. These unspecified projects are not identified beforehand. During FY 1984 project requirements will materialize and the most urgent ones will be funded. A preliminary estimate of the breakouts is as follows:

	FY84
Request	$19.0M
Outside U.S.	5.1M
Inside U.S.	13.9M

Question: Please prepare a chart for the record outlining the distribution of these funds for the last five fiscal years and estimates of what is programmed for the next five years.

Answer: Chart for the past five years is below.

	FY79	FY80	FY81	FY82	FY83
Appropriation	$18.0M	$12.3M	$14.55M	$15.8M	$15.89M
Outside U.S.	7.2M	2.0M	3.40M	5.2M	2.10M
Inside U.S.	10.8M	10.3M	11.15M	10.6M	13.79M

A breakout between outside U.S. and inside U.S. for the next five fiscal years is very hard to determine in that the projects are not programmed beforehand. They are not now specified. A preliminary estimate of the breakout for inside and outside the U.S. is furnished below:

	FY84	FY85	FY86	FY87	FY88
Request	$19.0M	$23.5M	$25.6M	$27.5M	$28.7M
Outside U.S.	5.1M	6.3M	6.9M	7.4M	7.8M
Inside U.S.	13.9M	17.2M	18.7M	20.1M	20.9M

PLANNING AND DESIGN

Question: The Air Force is requesting a 50 percent increase in Planning and Design to $186,000,000 in FY 1984. Why is such a large increase necessary?

Answer: The FY 1984 increased request is necessary to fund FY 1983 planning and design requirements delayed because of the reduced FY 1983 appropriation. The design of a portion of the FY 1985 program has been held at 35 percent and starts for a segment of the FY 1986 long lead designs have been delayed until funds are appropriated for the Air Force FY 1984 request. The design and advertisement of unbudgeted projects during FY 1983 also impacted the available funds for the normal MILCON design program.

Question: Please provide for the record a table which outlines the distribution of the request by facility category in terms of costs and percentage of total. Also provide such a table for each of the past five years and one based on what is programmed for the next five fiscal years.

Answer: (the information follows:)

FY 1984

	($000)	%
Operational Training	1,240,469	53.9
Maintenance	136,165	5.9
RDT&E	88,660	3.9
Supply	70,590	3.1
Medical	82,620	3.6
Administrative	42,602	1.8
Personnel Housing	219,455	9.5
Community	34,980	1.5
Utilities	103,019	4.5
Pollution	36,050	1.6
Energy	36,670	1.6
Support	209,620	9.1
TOTAL	2,300,900	100.0

FY 1979 - 1983

	FY 79		FY 80		FY 81*		FY 82		FY 83	
	($000)	%	($000)	%	($000)	%	($000)	%	($000)	%
Operational Training	96,674	18.6	139,406	24.7	258,477	26.2	649,213	42.0	565,130	36.4
Maintenance	48,408	9.3	43,740	7.7	40,000	4.1	89,906	5.8	112,020	7.2
RDT&E	124,343	23.9	155,500	27.5	128,550	13.1	51,810	3.4	102,615	6.6
Supply	22,183	4.3	4,540	.8	85,950	8.7	22,800	1.5	33,340	2.1
Medical	534	.1	28,300	5.0	29,110	3.0	126,450	8.2	96,876	6.2
Administrative	8,431	1.6	6,250	1.1	2,900	.3	62,690	4.1	67,888	4.4
Personnel Housing	52,996	10.2	61,600	10.9	56,597	5.7	77,160	5.0	133,170	8.6
Community	15,466	3.0	9,400	1.7	17,760	1.8	22,320	1.4	32,010	2.1
Utilities	5,197	1.0	8,230	1.4	54,150	5.5	22,295	1.4	186,685	12.0
Pollution	9,604	1.8	16,230	2.9	12,070	1.2	4,910	.3	16,580	1.1
Energy	60,626	11.6	32,160	5.7	41,660	4.2	51,517	3.3	57,270	3.7
Energy Showcase	---	---	---	---	1,000	.1	---	---	---	---
Support	75,952	14.6	60,100	10.6	257,001	26.1	364,680	23.6	147,830	9.6
TOTAL	520,414	100.0	565,456	100.0	985,225	100.0	1,545,751	100.0	1,551,414	100.0

*Includes FY 81 Supplemental Request

FY 1985 - 1989

	FY 85		FY 86		FY 87		FY 88		FY 89	
	($000)	%	($000)	%	($000)	%	($000)	%	($000)	%
Operational Training	1,735,061	50.1	1,731,729	51.9	2,094,355	47.1	1,671,488	36.8	1,738,196	36.7
Maintenance	163,608	4.7	220,320	6.6	308,056	6.9	269,081	5.9	281,190	5.9
RDT&E	127,331	3.7	70,204	2.1	81,371	1.8	96,371	2.1	100,708	2.1
Supply	130,988	3.8	134,797	4.0	293,328	6.6	444,680	9.9	464,692	9.8
Medical	347,393	10.0	198,543	5.9	324,139	7.3	339,047	7.5	354,304	7.5
Administrative	91,017	2.6	109,450	3.3	123,264	2.8	101,638	2.2	106,212	2.2
Personnel Housing	248,593	7.2	239,124	7.2	314,816	7.1	419,483	9.2	438,359	9.3
Community	65,457	1.9	121,077	3.6	111,384	2.5	145,549	3.2	152,098	3.2
Utilities	276,169	6.7	220,872	5.3	443,146	10.0	700,050	15.4	731,555	15.4
Pollution	5,000	1.5	5,000	1.5	35,535	.8	4,380	.1	4,577	.1
Energy	21,899	0.6	39,600	1.2	49,100	1.1	47,450	1.1	56,972	1.2
Support	247,708	7.2	247,157	7.4	266,119	6.0	298,814	6.6	312,261	6.6
TOTAL	3,460,224	100.0	3,337,873	100.0	4,444,613	100.0	4,538,031	100.0	4,741,124	100.0

AIR LAND BATTLE

QUESTION: The Army has adopted a new fighter doctrine called Air Land Battle. However, some elements of the doctrine require a substantial contribution from the Air Force. What is included in the FY 1984 request for the Pave Mover/J-STARS radar or other systems associated with Air Land Battle?

ANSWER: Joint Surveillance and Target Attack Radar System (JSTARS)

FY 84 - $94.6M

QUESTION: What is programmed in the next five years for these systems?

ANSWER: Joint Surveillance and Target Attack Radar System (JSTARS)

[Deleted.]

QUESTION: Air Land Battle and its "Deep Strike" concepts have been criticized because of the new roles and missions that it defines for the services. For instance, Under Secretary De Lauer recently pointed out that "The Army might have to take out Warsaw Pact airfields; the Air Force might have to provide targets for the Army." This indicates substantial restructuring of some traditional roles of the Army and Air Force. What efforts have been undertaken to assure sufficient cooperation among the branches to assure implementation and execution of the Air Land Battle doctrine?

ANSWER: The Army's AirLand Battle doctrine has not caused a substantial restructuring of Army and Air Force roles and missions; however, it has caused much closer coordination and integration of Service forces. The Army's new doctrine has focused on the threat as an echeloned force with 2nd echelon targets that must be successfully attacked to enable the ground commander to win the defensive battle in the main battle area, and transition to offensive attacks; in essence to "integrate and extend" the battlefield.

The Air Force has long advocated the need to "integrate and extend" the battlefield to include operations in the deep, close-in and rear areas and therefore supports the direction the Army has taken with AirLand Battle. With AirLand Battle, as in the past, the Services nominate targets to be struck to the Component Commanders. At that level the decision on what targets are to be hit and by what assets is determined--if Army assets are the best available then they should be used to take out deep targets.

The recently signed Memorandum of Understanding (21 Apr 83) relating to AirLand Battle is the most illustrative example of the efforts undertaken by the Army and Air Force to assure sufficient cooperation in the implementation and execution of AirLand Battle doctrine. The intent of the Memorandum of Understanding is to promote better coordination in planning and programming phases and more efficient integration during force employment. Our ultimate goal is to enhance our ability to work, think and fight together.

B-1

QUESTION: $5.9 million is requested for Dyess Air Force Base, Texas, as the first location to receive B-1 bombers. What is the total military construction requirement for the B-1 at this location?

ANSWER: The current projection for the total B-1B related military construction at Dyess AFB is $76.2 million. This figure includes the FY 84 request of $5.9 million. The majority of the Dyess requirement not included in the President's Budget is being worked as an FY 85 initiative. This would support introduction of the first B-1B at Dyess in late FY 85 and the projected September 1986 initial operating capability. The remaining construction will be included in the FY 86 request.

QUESTION: Please provide a table for the record outlining the military construction for the B-1 deployment in each of the next five year by location.

ANSWER: Current Air Force planning would drive candidate B-1 bases toward the interior of the country in consonance with the 1979 Strategic Survivability Study. Any of half a dozen bases within the country's interior would fit operational and survivability criteria. The first base, Dyess, was publicly announced in conjunction with the President's FY 84 Budget. The total anticipated military construction requirement needed to support the one operational squadron and a combat crew training school at Dyess is $76.2 million.

The remaining locations have not been announced because the Air Force has not finalized a decision on all B-1B bases. Several locations, based on projected operational requirements, are still under consideration. However, until a beddown plan can be finalized and on-site surveys conducted, accurate military construction costs are not available. Most major construction projects would be completed prior to the B-1B achieving a full operational capability in the summer of 1988.

BARRACKS

Question: What is the average unit cost per square foot for barracks construction in the United States? Overseas?

Answer: Bid experience over the previous three years for UEPHs constructed in the continental U.S. with costs brought forward to 1 Oct 85, gives an average cost per square foot of $70.00. The average cost for similiar projects overseas during the same period, adjusted for the area cost factor and brought forward to 1 Oct 85, is $84.00 per square foot.

Question: Give same data for officers' quarters.

Answer: The average cost for Officers' quarters brought forward to 1 Oct 85 is $71.50 per squaree foot. Data is not available for BOQs overseas.

Question: Provide a list of those included in the FY 1984 request that exceed the average by more than 50 percent. Explain why?

Answer: No projects exceed the average in CONUS by more than 50% for either officer or enlisted projects. Additionally, no enlisted projects overseas exceeded the average by more than 50%. No data is currently available on overseas officer projects. However Shimya project, which does consist of both officer and enlisted quarters, does exceed the enlisted average by more than 50% due to the area cost factor.

Question: What other means of providing unaccompanied housing in those high cost areas were considered?

Answer: A modular type facility was considered for the Shimya project. However, it was found that a modular type facility could not withstand the vigorous climate conditions of Shimya and the cost swings were found to be insignificant due to the shipping costs involved in getting a modular facility to Shinya.

FAMILY HOUSING

Question: What is the average unit cost per square foot for new family housing in the United States? Overseas?

Answer: The average cost per square foot for new construction is $47.00 for both Overseas and within the United States. This cost is then adjusted for local conditions by the area cost factor and foreign currency exchange rate.

Question: What is programmed for family housing construction for each of the next five years?

Answer: The Air Force has identified a worldwide programmable deficit of about 22,000 additional family housing units, FY84 and beyond, composed of both existing and new mission requirements. About two-thirds of this total deficit (15,000 units) has been identified for acquisition through new construction, the balance (7,000 units) to be acquired through various lease options. The Air Force is currently programming almost $1.5 billion from FY84 through FY89 to construct about 12,000 units as follows:

Air Force Family Housing New Construction:
$ Millions(No. of Units)

FY84	FY85	FY86	FY87	FY88	FY89
80(805)	227(1980)	269(2080)	270(2360)	299(2215)	312(2845)

Question: What is programmed for build-lease, rental guarantee, or any such scheme to provide additional housing in each of the next five years?

Answer: The Air Force has identified a worldwide programmable deficit of about 22,000 additional family housing units, FY84 and beyond, composed of both existing and new mission requirements. About one-third of this total deficit (7,000 units) has been identified for acquisition through build/lease or rental guarantee conversion, the balance (15,000 units) to be acquired through MFH construction. The Air Force is currently programming to acquire about 4,000 additional leased units from FY84 to FY89. Programmed additions to current lease program are as follows:

Net Changes to the Air Force Family Housing Lease Program:
$ Millions(No. of Units)

FY84	FY85	FY86	FY87	FY88	FY89
6(638)	22.2(1900)	1.4(140)	9.7(870)	0(0)	0(0)

QUESTION: The Marines are proposing going to accompanied tours on Okinawa. Does the Air Force plan to go to accompanied tours at locations now not authorized or to increase accompanied tours at locations with restricted numbers of such tours? Where? What will be the cost of providing needed family support in new construction? What will be increased annual operation and maintenance expenditures?

ANSWER: The Air Force has no current plans to alter the present ratio of accompanied to unaccompanied personnel overseas.

United Kingdom Rental Guarantee Housing

Question: How many rental guarantee units in the United Kingdom have now been converted to leased units?

Answer: A total of 800 units; 640 at RAF Lakenheath and 160 at RAF Bentwaters.

Question: What are the terms of the new lease agreements; number of years, fixed rental payment, and variable payments? What and how are they calculated?

Answer: The Air Force has obtained lease hold interest for a ten year period. An average fixed rental price of L208/unit-month (approximately $344 per month) has been negotiated. Maintenance cost of L55/unit-month (approximately $90 per month) is based on contractor proposal as justified by current costs and is indexed. Air Force will pay actual utility costs.

Question: What was the average rent paid by military members for the units last year under Rental Guarantee? What is average leased cost now?

Answer: The average rent paid by military members for Rental Guarantee housing in the United Kingdom was between $450 and $550/unit-month. Average leased cost is estimated at $630/unit-month.

Question: Has the landlord promised any improvements to those units under the new rental agreement? Are we planning any upgrade work to those units using U.S. funds?

Answer: Yes, included in the price of the lease is L2 million (approximately $3.3 million) in energy improvements. The Air Force has no plans to further upgrade any of these units.

QUESTION: How many Air Force personnel are grade E-4 and below? How many are married and living overseas with their families?

ANSWER: Currently, 65,536 enlisted members in the grade E-4 and below are stationed overseas. Of this total, 19,734 are accompanied by dependent(s).

When discussing military family housing (MFH) eligibility, the use of the total number of accompanied E-4s is misleading. E-4s with over two years of service are eligible for MFH. Currently, out of a total of 107,500 E-4s Air Force-wide, less than 1% (811) are ineligible for MFH since they have less than two years service.

Even if every one of these E-4s were stationed overseas with dependents, the total number of actual ineligibles would be significantly less than the 19,734 reported above. Rather, a more realistic estimate of the number of E-4s and below ineligible for MFH would be 7,100 since the majority of E-4s are eligible for MFH.

QUESTION: What efforts are being made to provide family housing for these families, and how much does each receive in BAQ and overseas station housing allowance?

ANSWER: Our ultimate goal is to be able to provide adequate housing entitlements for all grades. Although we have no active plans to expand eligibility for military family housing to junior enlisted personnel, they do remain eligible to occupy adequate family housing units on a space-available basis. However, two major considerations militate against expanding eligibility to this group in the immediate future.

The foremost of these is the potential adverse impact on our career personnel. We already have a deficit of adequate housing assets for currently eligible families overseas with waiting time for on-base quarters exceeding 12 months at many locations. Expanding eligibility now would exacerbate the waiting time problem and seriously reduce the value of this important entitlement for our career force. This approach recognizes the value of this career incentive and fulfills the reciprocal commitment between the career force and the military institution.

The other consideration is the assurance given to the 95th Congress during their deliberations on junior enlisted travel (JET) entitlements. At that time, we received clear indications from the Congress that a request for funds to construct family quarters for junior enlisted families would not be received favorably. In subsequent hearings on JET entitlements before the House Armed Services Subcommittee on Military Compensation, Defense and Service witnesses were asked very pointed questions concerning the Services' possible future intent to seek such construction funds once the JET proposal was approved. Since it was very apparant that any indication of such intent would jeopardize the JET funding, an agreement was reached among DOD and the Services not to effect an extension of eligibility. In this regard, the Air Force felt very strongly that it would best serve our junior members' needs to provide travel entitlements, both overseas and in CONUS. To date, there is an overseas JET entitlement, but none for CONUS moves. In view of the current fiscal environment and the necessity to avoid diluting the entitlement of the career force, a phased approach is favored that will pursue junior enlisted travel entitlements for CONUS moves with extension of full housing entitlements to junior enlisted personnel as a long term goal.

BAQ for E-1s thru E-3, with dependents, is $213.60 a month; E-4s, with dependents, receive $244.80 per month. Overseas station housing allowances vary significantly by location; however, the average monthly allowances are: E-1 = $107; E-2 = $151; E-3 = $127; E-4 = $125.

FAMILY HOUSING BAQ SUPPLEMENT

QUESTION: What has been the impact of going to a concept of "Rent Plus" as opposed to the more traditional BAQ plus station allowance? Has it proved cheaper or more costly? Has it increased the stock of community housing by making more expensive units available?

ANSWER: The Rent Plus system has helped members by reimbursing more of their normal housing costs. At the same time, the system was designed to prevent members from being fully reimbursed should they rent a place far above what is considered reasonable. Under Rent Plus, military members are reimbursed their actual rental costs, not to exceed the 80th percentile of rents paid by members in their grade group, plus the average cost of utilities (average utilities are based on usage by four member families) and initial occupancy expenses, less their Basic Allowance for Quarters (BAQ). By using the 80th percentile, approximately 90 percent of the rents are covered. The Rent Plus concept eliminates the over- and under-reimbursement associated with the old average rent system and also enables members who have had to lease less expensive or inadequate housing to upgrade their housing within the prescribed cap. This feature of the system has been particularly beneficial to junior members stationed in such places as Misawa, Japan who, in the past, have had to reside in homes that were poorly heated and often unsafe for human habitation.

Because of the many factors that can influence the overseas Rent Plus system (i.e., value of the dollar, inflation, overseas end-strength changes, phased implementation of Rent Plus system, etc), it is difficult to isolate the impact that the Rent Plus system has had on the Air Force budget. Indications are that the system may have helped reduce costs. A 1980 GAO study stated that the system could save dollars by eliminating the windfalls associated with the old average system. Since 1980, DOD's cost for overseas housing allowance has decreased by 11.4 percent ($68.7M in 1980 to estimated $60.9M in 1983). However, it is difficult to determine what portion of this savings is attributed to the improved value of the dollar or Rent Plus and what impact end-strength changes and inflation have had on reducing potential savings.

With regard to whether the Rent Plus system has increased the stock of community housing, there is no evidence to show that Rent Plus has increased the quantity of off-base housing.

Question: If an increase to the overseas housing allowance was authorized, wouldn't that serve to make still more community housing available, or cause local developers to build more rental units, and wouldn't that be far more economical than the U.S. Government building units?

Answer: Sizable increase in overseas housing allowance would serve as an incentive to local developers and result in additional rental units in some locations. Experience has shown at most overseas locations, private investors require a guaranteed return, i.e., 10 year firm-term build to lease. The economics of these alternatives could only be addressed on a case by case basis.

Question: What specific actions do you take to determine the availability of housing in the local community overseas? Are your surveys evaluated by an independent source? Do you use the services of in-country rental agents or local landlord associations?

Answer: The number of suitable vacant rental units (apartments, houses and mobile homes) in the community is required as an integral part of the annual family housing requirements survey. Vacant rental units are located in overseas areas by trained housing referral personnel who conduct intensive searches for all such housing which may be available. Units are located from multiple listings, from newspaper ads and from real estate offices. The criteria for determining adequacy of rental units in which military personnel are accepted as tenants are location and condition.

The base housing surveys are evaluated at all levels of command up to the Secretary of the Air Force. This is done to insure that published survey instructions have been followed and that the requirements for housing are fairly stated.

Information is obtained from local government agencies and landlord associations during the survey process.

Occupant Damage to Family Housing

Question: With the change in legislation making occupants responsible for damages they cause to family housing, what steps have been taken to prevent financial hardship to families who can't afford to pay? Are adequate insurance programs to pay for damages available?

Answer: Air Force regulations now state that military members are fully liable for damages they cause to family houses, equipment and furnishings. To prevent hardship, the amount involuntarily collected has been limited to one month's pay when the damage resulted from simple negligence. In cases of gross negligence, involuntary collections are to equal the total liability. Any liability in excess of the amount involuntarily collected is established as a debt on the member's military pay account. The matter of adequate insurance programs specifically for damages has not as yet been addressed.

Question: How much reimbursement do you anticipate in Fiscal Year 1984 for damages? What did you collect in Fiscal Year 1982, and what is anticipated for Fiscal Year 1983?

Answer: The Air Force anticipates $273,500 as reimbursement for damages in FY 84. In FY 82 the Air Force collected $307,600; $410,100 is anticipated in FY 83.

UEPH

Question: The GAO has reported that each military service overstates the deficits in existing Unaccompanied Enlisted Personnel Housing. GAO recommended that the Services should defer programming additional UEPH facilities until an accurate inventory is established. Provide for the Record the current inventory for each facility, the deficit at each base, the reason for the stated deficit, and the date of the most recent survey.

Answer: Each Air Force installation is required to submit a current DD Form 1657, Determination of Bachelor Housing Requirements, along with any request for a military construction or alteration project to insure the requirement for the project is adequately justified. Additionally, Air Force conducts a Service-wide inventory approximately every two years to verify existing housing requirements and deficits. The last such survey was completed in October 1982. For the specific projects in the FY 1984 program a listing, by installation, of the deficit, reason for the deficit, and the date of the most recent survey follows:

Base	Inventory			Deficit	Reason	Date
	Adq	Inadeq	Substd*			
Altus	1424	0	238	331	Shortage	Jun 82
Andersen	0	1412	0	1328	Req Upgrade	Aug 80
Barksdale	484	1218	0	1194	Req Upgrade	Sep 81
Beale	0	0	186	1193	Deficit & Replace	Aug 80
Bentwaters	356	1128	188	1796	Req Upgrade	Mar 82
Castle	167	0	994	1173	Replace	Nov 81
Columbus	628	144	38	259	Req Upgrade	May 82
Davis Monthan	64	2064	0	2138	Req Upgrade	Dec 81
Dyess	574	1699	0	1708	Req Upgrade	Apr 82
Edwards	1316	534	0	534	Req Upgrade	Sep 82
Ellsworth	0	0	1574	2136	Replace	Aug 81
Grand Forks	894	1098	0	685	Upgrade	Mar 82
Keesler	2305	6429	275	6954	Upgrade & Actual Shortage	May 82
Kunsan	1734	0	2277	989	Deficit & Replace	Dec 81
Lackland	12430	0	10135	3597	Shortage	May 82
Lajes	0	320	635	1072	Upgrade & Deficit	Sep 81
Lowry	900	0	1920	320	Replace	Apr 82
MacDill	410	1604	0	1282	Req Upgrade	Jun 82
McChord	360	542	606	1753	Replacement	Dec 81
Minot	846	1202	0	636	Upgrade	Dec 81
Nellis	1624	576	956	1466	Deficit & Upgrade	Dec 81
Offutt	1115	1087	0	544	Replace	Apr 82
Osan	1995	617	1611	1977	Deficit & Replace	Dec 81
Ramstein	126	2163	99	3878	Req Upgrade	Aug 82
Robins	800	720	0	714	Substandard Qtrs (Alter)	Mar 82
Shaw	344	1952	14	1700	Req Upgrade	Dec 81
Shemya	375	263	155	349	Shortage & Replacement	Jan 82
Sheppard	5360	0	2359	1058	Replacement	Jun 82
Tinker	350	836	0	513	Shortage	Jul 82
Torrejon	0	1430	0	1402	Req Upgrade	Apr 82
Upper Heyford	415	1277	0	1485	Req Upgrade	Apr 82
Woodbridge	356	1316	0	1797	Deficit & Req Upgrade	Apr 82
Wurtsmith	189	1066	0	948	Req Upgrade	Dec 81
Zweibrucken	0	747	0	1154	Deficit & Upgrade	Apr 82
Mildenhall	196	1101	0	1368	Req Upgrade	Apr 82

*Substandard: Code 3 facilities which require replacement.

UEPH

Question: Please outline for the Record the details of DOD's minimum standards for UEPH facilities.

Answer: The DOD minimum standards for UEPH facilities for assignment purposes vary based upon the year the facility was built. In existing facilities built prior to the FY 1971 MCP, the following are considered minimum standards IAW DODI 4165.47:

Grade	SF	Latrine	Roommates
E1-E4	85	Central	4/Rm
E5-E6	90	Central	2/Rm
E7-E9	200	Private	Private

However, for construction purposes DODM 4270.1 provides standards which must be followed for all new construction and alteration projects. These are:

Grade	SF	Latrine	Roommates
E1-E4	90	Shared*	2/Rm*
E5-E6	135	Shared	2/Rm
E7-E9	250	Private	Private

*Air Force was authorized by OSD to build 180 SF rooms to house two junior enlisted with one bath shared by four persons. OSD standard is 270 SF room for 3 persons with one bath per room.

Question: Are you requesting any UEPH facilities in FY 1984 which exceed DOD minimum standards? If so, please provide justification for this request.

Answer: No. There are no facilities being requested in the FY 84 program which exceed the standards established in DODM 4270.1 for new construction and alteration projects.

Question: What current UEPH facilities in the inventory exceed DOD minimum standards?

Answer: None. Air Force policy is that all facilities are to be rated in accordance with the standards applicable to the time of construction.

Question: What UEPH facilities are programmed in the next five years which are planned to exceed DOD minimum standards?

Answer: None. All facilities will be programmed in accordance with DOD guidelines at the time for new construction and alteration projects.

Question: For each facility requested or programmed, provide for the Record an estimate of the potential savings if these facilities were built only to DOD minimum standards.

Answer: None. All facilities are being built to minimum standards.

Question: Provide a list of bases worldwide where members who would elect to draw BAQ and reside off base are denied that alternative. For each location indicate the criteria imposed, e.g., minimum grade, that results in that situation.

Answer: Public Law 96-579 authorized all members in the grade of E-7 and above optional residency off base with Basic

Allowance for Quarters (BAQ) or on base residency at their discretion. Members in the grade of E-6 and below may only reside off base with BAQ if a 95 percent occupancy rate is maintained in on base quarters. Below is a list of Air Force locations where members have indicated a desire to reside off base with BAQ but are unable to do so due to the availability of on base quarters.

Location	# Persons	# On Base Spaces	% of Occupants
Laughlin	45	871	5%
Travis	150	4313	3%
Clark	90	3770	2%
March	52	1465	4%
Cannon	42	1462	3%
Homestead	56	2538	2%

Question: The GAO indicates the Air Force should lower the existing housing standards for certain personnel to DOD minimum standards. Why has the Air Force adopted housing standards in excess of DOD minimum standards?

Answer: The Air Force continues to utilize existing facilities in accordance with OSD standards with the exception of personnel in grades of E5-E6. These personnel are housed at the 135 square feet UEPH new construction standard regardless of the age of the facility to which they are assigned. The Air Force has had this policy in effect since 1972 and feel a change in this policy after such a period of time would have a significant impact on morale and retention of personnel. Additionally, this assignment policy does not have an impact on the determination of housing programming deficits since requirements are based on the rated capacity of the facilities, rather than how assignments are made in the facility.

Question: GAO has recommended that UEPH modernization projects which add private or semiprivate bathrooms to UEPH facilities which already meet minimum DOD standards of adequacy and modernization criteria should not be approved. Are any such facilities requested in FY 1984? Are any programmed for the next five fiscal years?

Answer: The Air Force has UEPH modernization projects in the FY 1984 program and beyond which will include semiprivate bathrooms. However, the purpose of the renovations is to upgrade existing facilities which are an average of 25 years old and which have inadequate electrical and plumbing systems, safety and structural problems, and require the addition of energy conservation features and sound attentuation features. The projects are programmed to correct all these deficienceis. Additionally, the alteration projects provide for the addition of semiprivate bathrooms (shared by four people) in accordance with DODM 4270.1 which states that the objective of all upgrade projects for enlisted quarters shall be to achieve UEPH new construction standards both in terms of space and configuration.

MEDICAL FACILITIES

Question: GAO has recommended that the Army and Air Force should coordinate medical construction programs for Germany to encourage joint utilization of facilities where possible. What actions are you taking in this regard?

Answer: Coordination of medical planning including construction and joint utilization of medical facilities between all the services in Germany is initially addressed by the U.S. European Command (EUCOM) Medical Coordinating Committee which meets quarterly and whose membership includes the senior medical officers of the three services in Europe. Their decisions are further coordinated and finalized by the services medical departments through the DoD Health Facility Planning Review Committee (HFPRC). This committee meets at least annually to review the Five-Year Medical Construction Programs of all the services.

Several of the projects now under design are a result of joint planning and utilization efforts. The AF Clinic at Comiso, Italy will provide outpatient care for the Ground Launch Cruise Missile (GLCM) mission there with inpatient care to be provided by the Navy at Sigonella where an upgrade project is scheduled in FY 86. The FY 84 Dental Clinic at Geilenkirchen, Germany will provide dental support to Army beneficiaries in the Aachen/Monchhongladbach area as well as Air Force personnel at Geilenkirchen.

Through the above review process and prior to initiating any design action, all projects being planned for the FY 86-89 Military Construction Program (MCP) in the European theater are being closely coordinated between the services to ensure joint utilization of facility resources.

Question: What facilities in Germany are programmed in the next five years?
Answer: The Air Force has tentatively programmed construction projects for the health care treatment facilities at Hahn AB, Bitburg AB, Ramstein AB, Rhein Main AB, Wiesbaden AB, and Zweibrucken AB. Contingency storage facilities are tentatively programmed at Ramstein AB, Wiesbaden AB, Spangdahlem AB, Geilenkirchen AB, Lahr, Sollingen and Stuttgart.

Question: Do you plan to coordinate in the future with your sister service?

Answer: The Air Force will continue to coordinate its construction plans with the Army as well as the Navy. The U.S. European Command (USEUCOM) Medical Coordinating Committee is tasked to coordinate all medical planning in the European theater and a similar mechanism exists in the Pacific theater. Any construction requirements along with projects in the CONUS will be further reviewed and acted upon jointly by the services and ultimately through the DoD Health Facility Planning Review Committee (HFPRC) chaired by OASD/Health Affairs and composed of OASD and OMB representatives.

Air Force FY 84 Military Construction

Question: You have proposed facilities for construction in both Europe and the Pacific in support of contingencies. Provide a list of specific requests that you made for host governments to provide contingency medical support facilities, personnel, and transportation. Indicate what the host nation has volunteered in return.

Answer: Norway: There is a Memorandum of Understanding (MOU) with the Norweigans dated May 1974. There is a Logistical Support Agreement (LSA) for each Collocated Operating Base (COB) for storage and medical services. Norway has agreed to provide storage at the COB's and medical services when possible or when our capabilities are overwhelmed. The US and Norway meet this month to reinforce all Host Nation Support requirements.

Denmark: There is a MOU dated December 1976 and revised in 1977 and a document Technical Arrangements signed in 1980. Denmark has been asked to provide support facilities, personnel, and transportation. These are in the Joint Support Plans (JSP) at each COB. They have agreed to JSP's but not Host Nation Support.

United Kingdom: The United Kingdom has been requested to provide medical support facilities, personnel, and transportation. The United Kingdom has responded by offering facilities for peacetime storage and wartime use. We have accepted eight of these to date, five are currently under development. They have approved, in concept, our request for personnel and transportation support.

Germany: Germany has been requested to provide peacetime storage, contingency medical support facilities, personnel, and transportation. Germany has responded with wartime Host Nation Support in the form of casualty evacuation and emergency medical support at Collocated Operating Bases. Under Civil-Military Support the US has requested some 50 hospital storage locations. Fourteen of these locations have been approved to date. Germany has also agreed to provide emergency medical care in wartime when possible and when US facilities are overwhelmed.

Luxembourg: Luxembourg has been requested to provide contingency medical support facilities, personnel, and transportation in the form of a Line of Communication Agreement that should be finalized this month. The outcome of these requests for support is unknown and not predicted at this time.

Belgium: A Line of Communication Agreement (LOC) between Belgium and the US was finalized in March 1982. They have been requested to provide emergency medical care and hospitalization when the US facilities are overwhelmed or requirements exceed our capacity. We have also requested a peacetime storage and wartime operating site for one 500-bed hospital and medical services at the Collocated Operating Bases. They have agreed to provide emergency medical support and military hospital care to the extent possible in accordance with the LOC. They have also agreed to provide civilian care IAW the LOC.

Netherlands: A detailed statement of requirements was submitted to the Netherlands in March 1983. We asked for second echelon and one 500-bed operating location, total medical support at all US and COB facilities. No response has been given to the specifics but they have agreed to provide emergency medical support to the US if we're not operational and they will provide total hospital care as stated in the LOC to the extent possible.

Italy: There is a US-Italian LOC dated April 1981. The following is being requested through EUCOM and is being staffed at that level: contingency medical facilities, personnel, and transportation. Detailed requirements are being presented for Naples, Sigonella, and Pisa. No projected release date from EUCOM is available.

Greece: There are currently no requests for contingency medical facilities, personnel, or transportation. This is due to the fact that we are currently negotiating for continued use of bases now and there is no mechanism to negotiate Host Nation Support at the present time.

Spain: The situation in Spain is the same as we now are facing in Greece. We have approached Spain, through NATO channels for permission to preposition supplies and equipment.

Turkey: Line of Communication negotiations are underway. Collocated Operating Base site surveys are underway with existing joint support. Prepositioning of facilities, supplies and equipment has been requested through EUCOM.

Republic of Korea: Specific requests for medical support facilities, personnel, and transportation have not been pursued with the Republic of Korea due to the underdeveloped nature of that country. We have, however, negotiated for the use of land at Kimhae, Sacheon, Osan, Kunsan, Kwangu Ju, Taegu, and Suwon. Agreement with the Ministry of Defense, Republic of Korea, was reached for these locations on 2 November 1982 and has been incorporated into a Status of Forces Agreement. Thorough site surveys have been made at each of these locations and no suitable Host Nation facilities exist.

Question: Provide a list of supplies and equipment which are included in the 1984 Defense budget request for the contingency medical program. Provide this in detail such as numbers of vehicles, numbers of packaged clinics, etc., and the dollar value of each request.

Answer:	Quantity	Unit Cost ($000 Except in Parens)	Total
500-bed Hospital (30 day supply)	4	5.766	23.064
500-bed Hospital Resupply (2nd 30 day requirement)	15*	1.234	18.510
Second Echelon Unit (Small) (30 day supply)	9	.271	2.439
Second Echelon Unit Resupply (2nd 30 day requirement)	24*	.098	2.352
Second Echelon Unit (Medium) (30 day supply)	8	.424	3.392
Second Echelon Unit Resupply (2nd 30 day requirement)	16*	.192	3.072
250-bed ASF	2	.615	1.230
Air Evacuation Equipment	398	.004	1.592
MEDRAMS Computer	4	.098	.392
Shelters (ISO Hardwall)	40	.100	4.000
Patient CW Wraps	19230	($39.00)	.750
2-PAM Chloride	400,000	($8.17)	3.268
Ventilators	534	.002	1.068
Rotational Loss			.989
Vehicles	281		8.582
TOTAL			74.700

* This provides the second 30 days of supplies and equipment for assemblages that now have only a 30 day supply.

Question: For the record tell us what continuing negotiations with Hosts are underway or proposed.

Answer: Negotiations are underway with the United Kingdom, Germany, Luxembourg, Netherlands, Greece, and Spain. Negotiations are proposed for Norway, Italy, Turkey, and Portugal. Negotiations have been completed with the Republic of Korea.

GLCM SITES

QUESTION: Dr. William Delaney recently testified before this committee in support of the request for dependent school construction at GLCM bases. Dr. Delaney stated that the Air Force had indicated that even if the Geneva negotiations result in a delayed deployment or cancelled deployment of GLCM, the GLCM bases would still be necessary for other missions. What other missions would be carried out at the GLCM locations if GLCM is not deployed?

ANSWER: INF deployment in Europe will proceed as planned beginning in December 1983. If concrete results are achieved in the Geneva negotiations, NATO will adjust accordingly the number of missiles to be deployed at each base [deleted] [deleted]. Consequently, we envisage no delays in the INF deployment schedule. The focus of US and Allied efforts is on fully implementing NATO's deployment program. With this in mind, the Air Force has not assessed other possible uses for GLCM bases, but instead is carrying out the US commitment to deploy GLCMs in accordance with the Alliance's agreed upon deployment plans. The witness misspoke when he said that the Air Force had other specific missions in mind for these bases.

QUESTION: If GLCM is deployed, where would these missions be based?

ANSWER: For the reasons outlined in responding to the previous question, the Air Force has conducted no studies on this issue.

QUESTION: When GLCM comes on line at Greenham Common, will any aircraft currently on nuclear alert be relieved of that task? When GLCM becomes fully operational?

ANSWER: The 1979 NATO Defense Ministers' decision to deploy the Ground Launched Cruise Missile (GLCM) was made in recognition of the threat posed by the Warsaw Pact. [Deleted].

QUESTION: Where will aircraft released from primary nuclear roles be restationed, overseas and/or in US?

ANSWER: As stated in response to the previous question, [deleted].

SW Asia C^3

Question: The lastest edition of Defense Week reports that the Secretary of Defense has approved an updated Defense Guidance. Defense Week quotes from the Guidance that the Secretary calls for "a C^3 infrastructure in Southwest Asia . . . to support deployments by 1988." What military construction requirements will be programmed by the Air Force in support of the Defense Guidance in the next five years?

Answer: The issue of which military service will program to meet the requirements for a SWA C^3 infrastructure is currently being addressed. If the AF is identified as the military service, our initial estimate is that approximately $30 million dollars will be required in MCP funding for the C^3 portion. Additional MCP funding will be required for BOS type support and is dependent on final site selection for the communications nodes.

SAC MILCON SUBCOMM

Question: There was a recent Washington Post article describing a radar site that had become operational in Central America. If military construction funds were not used, what funds were used? Are similar funding approaches going to be used or have been in Southwest Asia?
Answer: None. Site preparation was provided by the Government of Honduras.
Answer: No.

SW ASIA C^3

QUESTION: What bases are we currently using in Southwest Asia for which this Committee has not provided Military Construction Funds?

ANSWER: [Deleted].

QUESTION: What is the status of RDF use agreements with Portugal? Morocco? Egypt? Also tell us the status of country-to-country agreements with Spain? Greece?
ANSWER: [Deleted.]

Utilities

Question: In fiscal year 1984 the Air Force is projecting to pay approximately the same for utilities in fiscal year 1984 as in fiscal year 1983, $233 million. Yet, it is noted the Navy is projecting a 25 percent reduction in its utility account. How do you explain this?

Answer: The Air Force is projecting a .5% increase in the total utility account from fiscal year 1983 estimate to fiscal year 1984 request; inflation and additional housing units, offset by currency revaluation and Oahu consolidation, transfer to the Army. Similarly, the Navy and Marines are projecting a 7% decrease, not 25%. The difference between the services results from the relative magnitude of the Oahu budget transfer, verified by similar unit cost increase projections from fiscal year 1983 to fiscal year 1984.

STS

QUESTION: DOD recently signed a revised cost agreement with NASA to reflect increased costs associated with DOD use of the Shuttle. Did that agreement commit the Department of Defense to any additional military construction requirements? If so, what are they?

ANSWER: No, the agreement does not commit the DOD to further MILCON requirements.

CONCLUSION OF HEARINGS

Senator **Mattingly**. At this point, the subcommittee will stand in recess subject to the call of the Chair.

General **Wright**. We appreciate the opportunity, Mr. Chairman, thank you very much.

[Whereupon, at 9:10 a.m. Tuesday, April 19, the hearings were concluded and the subcommittee was recessed to reconvene at the call of the Chair.]

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